



# **Arizona Legislative Look-Back Report 2016**

**Arizona House of Representatives Research Staff**

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## Adult Probation

### ***General***

According to the AOC, probation is a form of criminal sentence in which the defendant agrees to comply with specific court ordered conditions rather than being sentenced to jail or prison. While on probation, the defendant is required to report to a probation officer, pay fees and fines, maintain employment and, at times, may be required to pay restitution and/or complete community restitution hours. Defendants are typically sentenced to intensive or standard supervision. Most statutes related to adult probation are found under A.R.S. Title 13, Chapter 9.

[A.R.S. § 13-902](#) outlines the length a person may be placed on probation. Probation conditions are determined by the court and are offender-specific. While on probation, an offender must comply with all probation conditions; noncompliance may result in a technical violation. At any time during a term of probation, the court may issue a warrant to re-arrest the defendant or add/modify probation conditions. If a person commits a technical violation or a new offense, the court may revoke probation and the person is subject to sentencing.

Probation is state-funded in all counties except Maricopa; since FY 2003, Maricopa County has paid 100% of the costs of adult probation services in the county.

### ***Standard Probation***

Under [A.R.S. § 13-901](#), the court may suspend a person's sentence and place the person on probation if the offense is probation-eligible. Standard probation may either be supervised or unsupervised.

### ***Intensive Probation Supervision***

Pursuant to [A.R.S. § 13-913](#), IPS is a sentencing alternative that consists of highly structured and closely supervised probation, emphasizing payment of restitution. Offenders who have been convicted of an eligible felony or commit a technical violation of standard probation (not a new criminal offense) are eligible to be placed on IPS under [A.R.S. § 13-914](#). IPS uses a team of one probation officer and one surveillance officer; [A.R.S. § 13-916](#) permits one team to supervise up to 25 offenders and a team of one probation officer and two surveillance officers can supervise up to 40 probationers. [A.R.S. § 13-919](#) permits waivers of these standards if specific conditions are met; in FY 2015, 9 probation departments received waivers, resulting in 29.5 IPS officers carrying caseloads of no more than 15 probationers placed on IPS. Statute outlines contact requirements and requirements that probationers must meet to remain in the program. Pursuant to A.R.S. § 13-914 all IPS probationers are required to perform no less than 40 hours of community restitution each month; full-time students may be exempted or required to perform fewer hours. However, for good cause, the court may reduce the number of community restitution hours performed to not less than 20 hours each month.

### ***Probation Fast Facts***

In FY 2015:

1. Annual cost per IPS probationer was \$6,322.
2. 1,095 probationers completed IPS.
3. 46% of exiting probationers were not committed to jail or prison.
4. 54% of exiting IPS probationers were revoked from IPS and incarcerated either in a county jail or prison.

On June 30, 2015, there were:

1. 2,360 persons under direct IPS supervision (182 on indirect supervision).
2. 38,257 standard probationers under direct supervision.
3. 5,435 on indirect supervision (standard).
4. 35,564 on administrative supervision.
5. Total of 82,204 persons on some form of probation.

In FY 2015, probationers completed 833,088 hours of community restitution, paid \$12,461,862 in restitution and paid \$15,172,014 in fees.

For information about probation officer rights, please see [Peace Officer Rights](#).

Sources: [2015 Supreme Court Annual Report](#); [2015 Adult Probation Annual Report](#)

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2701</a>	criminal justice; budget reconciliation; 2016-2017.	In part, continues to suspend county non-supplanting requirements related with funding for probation services, criminal case processing, and alternative dispute resolution programs and requires counties to report on reductions in county funding as a result of the elimination of non-supplanting provisions.	<a href="#">Summary</a>	
2016	<a href="#">SB 1298</a>	probation; juvenile; adult	Modifies several provisions for persons placed on probation.	<a href="#">Summary</a>	
2015	<a href="#">SB 1478</a>	criminal justice; budget reconciliation; 2015-2016.	In part, continues to suspend county non-supplanting requirements related with funding for probation services, criminal case processing, and alternative dispute resolution programs and requires counties to report on reductions in county funding as a result of the elimination of non-supplanting provisions.	<a href="#">Summary</a>	
2014	<a href="#">HB 2461</a>	probation officers; authority	Allows probation officers to enforce pretrial release conditions in all counties, instead of just Maricopa County.	<a href="#">Summary</a>	
2014	<a href="#">HB 2706</a>	criminal justice; budget reconciliation; 2014-2015.	In part, continues to suspend county non-supplanting requirements related with funding for probation services, criminal case processing, and alternative dispute resolution programs and requires counties to report on reductions in county funding as a result of the elimination of non-supplanting provisions.	<a href="#">Summary</a>	
2013 (1 <sup>st</sup> Special Session)	<a href="#">HB 2005</a>	2013-2014; criminal justice; budget reconciliation.	In part, continues to suspend county non-supplanting requirements related with funding for probation services, criminal case processing, and alternative dispute resolution programs and requires counties to report on reductions in county funding as a result of the elimination of non-supplanting provisions.	<a href="#">Summary</a>	
2012	<a href="#">SB 1531</a>	criminal justice; budget reconciliation; 2012-2013	In part, continues to suspend county non-supplanting requirements related with funding for probation services, criminal case processing, and alternative dispute resolution programs and requires counties to report on reductions in county funding as a result of the elimination of non-supplanting provisions.	<a href="#">Summary</a>	

## Adult Protective Services

Within the Division of Aging and Adult services at ADES is APS. Established by Laws 1980, Chapter 127, APS receives and evaluates reports of suspected adult abuse, neglect and exploitation of vulnerable and incapacitated adults and offers appropriate services. Reports are received through the APS Central Intake Hotline. Investigations are conducted both in private residences and in facilities. To be eligible for APS services, clients must be 18 years or older, vulnerable, abused, neglected or exploited and residing within Arizona.

The most recent APS Annual Activity Report [2015 Annual Report](#) indicates that the number of inquiries has grown from 10,100 to 18,373 from 2010 through 2015 and the number of reports has grown from 6,488 to 13,793 during that same time period. During FY 2015, of the allegations investigated, 68.2% were for neglect, 26.5% for abuse and 30.8% for exploitation. A case may have multiple allegations and therefore the percentages may total more than 100%. Through the engagement of temporary staffing, APS investigators reduced the number of open cases by 19% and reduced the number of cases open for six months or more by 23%.

Year	Bill No	Short title	Description	Summary	Note
2015	<a href="#">HB 2021</a>	adult protective services; information online	Requires the APS registry to be available online in addition to written requests. The amount of time that a report stays on the registry is increased to 25 years. Communications concerning a person who is incarcerated or a patient in the Arizona State Hospital are not reports that require an evaluation by an APS worker.	<a href="#">Summary</a>	

## Arizona Board of Cosmetology

ABOC ensures the health and safety of citizens through education and enforcement of cosmetology laws and rules. The seven-member board is appointed by the governor to serve three-year terms, with an unlimited number of terms. ABOC licenses aestheticians, nail technicians, cosmetologists, instructors, salons and schools; establishes minimum standards for licensure and examination; adopts safety and sanitation rules and regulations; routinely inspects salons and schools to ascertain compliance with cosmetology laws; investigates and resolves complaints filed against licensees and takes disciplinary action to resolve violations. Discipline may include letters of concern, civil penalties, probation, suspension or revocation of a license, or assessing fines and various penalties. The ABOC Fund consists of monies for exams and licensing fees for cosmetologists, salons, and cosmetology schools. This 90/10 board retains 90% of the monies to examine, license, investigate and regulate the industry and deposits 10% in the GF (A.R.S. § 32-501 et al.)

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2035</a>	cosmetology; omnibus	Replaces the <i>educator</i> position on ABOC with a public member. Permits an eligible individual 18 years or older to qualify for licensure. Adds to the list of unlawful acts, practicing any cosmetology-related field without a license. Creates a <i>Study Committee on Cosmetic Lasers</i> and requires a report by January 1, 2017.	<a href="#">Summary</a>	
2015	<a href="#">HB 2120</a>	cosmetology board; director; licensing renewal	Eliminates the requirement for the executive director to have experience as a licensed cosmetologist. Renews a professional license for two years rather than annually.	<a href="#">Summary</a>	
2015	<a href="#">SB 1320</a>	cosmetology board; makeup artists; exemption	Exempts from licensure, any individual who only applies makeup. Requires a business commonly known as a <i>sparkle bar</i> , to state that services are not regulated by ABOC.	<a href="#">Summary</a>	
2014	<a href="#">HB 2439</a>	cosmetology; regulation	Adjusts the minimum age requirement to be eligible for licensure by ABOC from 23 years to 16 years. Outlines qualifications for a postsecondary educational institution.	<a href="#">Summary</a>	
2014	<a href="#">SB 1314</a>	board of barbers; continuation	In part, continues ABOC for 10 years, until July 1, 2024.	<a href="#">Summary</a>	
2013	<a href="#">HB 2096</a>	board of cosmetology	Modifies the definition of <i>threading</i> . Consolidates two classes into one required class for the purpose of reciprocity.	<a href="#">Summary</a>	
2012	<a href="#">HB 2262</a>	threading exemption; cosmetology	Exempts from licensure, a person known as a <i>threader</i> , who removes hair from the eyebrow or other parts of the face, if the service does not include the use of chemicals, tools or wax.	<a href="#">Summary</a>	
2012	<a href="#">HB 2440</a>	board of cosmetology	Allows ABOC to hire personnel for investigative and clerical assistance. Permits attorney's fees associated with disciplinary actions to be collected from a licensee. Enables a licensee to practice in a healthcare facility or home of a person requiring care. Exempts from licensure, those providing certain tanning services.	<a href="#">Summary</a>	
2012	<a href="#">HB 2157</a>	salon managers; requirements	Entitles a person to manage a cosmetology salon without first having a license.	<a href="#">Summary</a>	

## Arizona Department of Public Safety Fingerprinting

### ***Fingerprint Clearance Cards***

Individuals who work with vulnerable populations such as children or the elderly are generally required to obtain an FPCC as a condition of employment. ADPS administers the FPCC process and applicants submit an application and a valid set of fingerprints to ADPS for review. ADPS compares the applicant's criminal history to a list of precluding offenses outlined in statute and either issues or denies the applicant an FPCC based on the results. ADPS is required to deny an FPCC to an applicant who is awaiting trial on or has been convicted of committing or attempting, soliciting, facilitating or conspiring to commit any precluding offense.

There are two types of FPCCs: regular and Level 1. Level 1 FPCCs are more difficult to obtain as there are more offenses that would preclude an applicant from obtaining a Level 1 FPCC than a regular FPCC. Regular FPCC precluding offenses are listed in [A.R.S. § 41-1758.03](#) and Level 1 FPCC precluding offenses are listed in [A.R.S. § 41-1758.07](#).

FPCCs expire every six years and cardholders are required to submit an application and a new set of fingerprints for FPCC renewal. Individuals possessing an Identity Verified Print (IVP) FPCC, however, are not required to submit additional fingerprints as IVP FPCC procedures require additional screening to verify identity at the time of initial application. Certificated school instructors, tutors and other individuals providing instructional services to students are required to obtain an IVP FPCC.

### ***Fingerprint-Based Criminal History Check***

Certain public agencies require employees or related personnel; applicants for licensure, registration or certification; or individuals who engage with the agency in some other manner to undergo a fingerprint-based criminal history check. The individual must submit a full set of valid fingerprints to the agency, which are transmitted to ADPS to conduct a state and federal criminal history check. This process differs from the FPCC process as FPCC applicants submit fingerprints and an application directly to ADPS and ADPS compares the applicant's criminal history to a list of precluding offenses, either issuing or denying an FPCC based on the results. Additionally, ADPS continuously reviews FPCC status and suspends, revokes or places restrictions on FPCCs as needed. The fingerprint-based criminal history check is a singular review typically required by an agency as a condition of employment, licensure or other interaction or transaction.

The requirement to either obtain an FPCC or undergo a fingerprint-based criminal history check varies across agencies; however, individuals who work with vulnerable populations are typically required to obtain an FPCC.

### ***Central State Repository***

ADPS maintains the Central State Repository, which contains information collected from law enforcement and criminal justice agencies relating to arrests and dispositions. Law enforcement and criminal justice agencies are required to submit fingerprints and other personal identifying information to ADPS of individuals arrested, charged with, convicted of or summoned to court for felony, domestic violence, sexual or DUI offenses. ADPS may only exchange Central State Repository information with public agencies, other entities or individuals pursuant to state and federal law.

### ***Board of Fingerprinting***

The Board of Fingerprinting grants good cause exceptions for individuals who have been denied an FPCC or whose FPCC has been suspended for committing certain precluding offenses. The Board of Fingerprinting also grants central registry exceptions for individuals who have been reported for child or vulnerable adult abuse. DCS is required to maintain a central registry of substantiated reports of abuse and neglect and may conduct a central registry background check for the purpose of determining whether contract providers and their employees or child care program personnel are qualified to provide services to children or vulnerable adults. Good cause or central registry exceptions may be granted if an individual is able to demonstrate that he or she is rehabilitated and not at risk for recidivism.



Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2109</a>	pharmacists; licensure	Requires an applicant for an initial license by the Pharmacy Board to apply for a FPCC rather than undergo a criminal background check.	<a href="#">Summary</a>	
2016	<a href="#">HB 2154</a>	failure to appear; arrest; fingerprinting	Outlines which criminal justice agencies are responsible for taking a person's ten-print fingerprints and submitting them to Central State Repository of criminal history records.	<a href="#">Summary</a>	
2016	<a href="#">HB 2249</a>	ADOT; authorized third parties	Requires certain employees of authorized third parties with ADOT to provide a full set of fingerprints for a state and federal criminal records check.	<a href="#">Summary</a>	
2016	<a href="#">HB 2514</a>	restricted vehicle use; DUI; exemption	Exempts real estate, cemetery, and membership camping brokers and salespersons from the prohibition of a person convicted of, or awaiting trial for a DUI within five years of applying for a FPCC from driving any vehicle to transport employees or clients as a part of their employment.	<a href="#">Summary</a>	
2016	<a href="#">SB 1238</a>	tribes; child safety; health care	Allows an authorized tribe to request, a federal name-based background check and within 15 days the submission of a full set of fingerprints to obtain a state and federal criminal records check when an emergency placement for a child is offered.	<a href="#">Summary</a>	
2015	<a href="#">HB 2086</a>	fingerprint clearance cards; omnibus	DCS employees who have contact with children and IT employees required to obtain level 1 FPCC. DEMA employees required to undergo fingerprint-based criminal history check instead of obtaining FPCC due to elimination of DEMA-operated youth program Project Challenge. List of regular and level 1 FPCC precluding offenses updated to clarify that "criminal trespassing" & "burglary" qualify as precluding offenses individually. ADPS notification policies for FPCC denial, suspension, revocation, and restriction clarified in statute.	<a href="#">Summary</a>	
2015	<a href="#">HB 2496</a>	dental board; regulation; fingerprinting	In part, requires dental and dental hygienist license and denturist certification applicants to obtain a regular FPCC.	<a href="#">Summary</a>	
2015	<a href="#">SB 1149</a>	Arizona medical board; fingerprinting; disclosure	Repealed 2014 law requiring renewal AMB license applicants after September 2, 2014 to undergo fingerprint-based criminal history check if not already done.	<a href="#">Summary</a>	
2015	<a href="#">SB 1295</a>	fingerprinting; judgement of guilt; records	Requires booking agencies to take ten-print fingerprints of individual if unable to determine whether legible ten-print fingerprints already taken by arresting agency.	<a href="#">Summary</a>	
2014	<a href="#">HB 2306</a>	fingerprint clearance cards; periodic checks	Human trafficking for forced labor or services added to list of regular and level 1 FPCC precluding offenses. Authorizes ADPS to conduct periodic federal criminal history checks (ex. <a href="#">FBI NGI Rap Back</a> ) to update FPCC status and notify Board of Fingerprinting & employers of changes.	<a href="#">Summary</a>	
2014	<a href="#">SB 1380</a>	Arizona medical board; licensees; fingerprinting	Requires new AMB license applicants to undergo fingerprint-based criminal history check beginning September 2, 2014. Renewal AMB license applicants after September 2, 2014 required to undergo fingerprint-based criminal history check if not already done (note: repealed in 2015)	<a href="#">Summary</a>	
2014	<a href="#">SB 1136</a>	acupuncture board of examiners	Requires acupuncture license applicants to undergo fingerprint-based criminal history check beginning July 1, 2016.	<a href="#">Summary</a>	

2014	<a href="#">SB 1043</a>	naturopaths; prescription authority; pharmacy board	Requires applicants for new license in pharmacy occupation to undergo fingerprint-based criminal history check.	<a href="#">Summary</a>	
2014	<a href="#">HB 2239</a>	state board of appraisal	Requires real estate appraisal management company registration applicants to obtain regular FPCC instead of fingerprint-based criminal history check.	<a href="#">Summary</a>	
2014	<a href="#">SB 1391</a>	noncertificated employees; schools; fingerprinting	Authorizes school districts & charter schools to require non-certificated personnel who provide student services to obtain FPCC instead of fingerprint-based criminal history check.	<a href="#">Summary</a>	
2013	<a href="#">SB 1022</a>	board of fingerprinting; continuation	Continues the Board of Fingerprinting for eight years until July 1, 2021.	<a href="#">Summary</a>	
2013	<a href="#">HB 2441</a>	schools; electronic fingerprinting services	Authorizes ADPS to contract with entities to provide electronic or internet-based fingerprinting services to FPCC applicants (ex. <a href="#">Livescan</a> ) 1. Includes IVP FPCC applicants 2. Contracted entity must comply with ADPS standards of submission, privacy, & security Contracted entity may charge fee for providing fingerprinting services separate from ADPS FPCC application fee	<a href="#">Summary</a>	
2013	<a href="#">SB 1408</a>	fingerprint clearance cardholders; background checks	Level 1 FPCC eligible to satisfy state & federal criminal history check requirement for prospective adoptive parents and household members.	<a href="#">Summary</a>	
2013	<a href="#">HB 2317</a>	fingerprint clearance card; expired use	School employees, vocational students age 23 or older attending classes at high schools during regular school hours, and required college or university students able to use expired FPCC if individual verifies: 1) new application submitted within 90 days of expiration and 2) not awaiting trial on or convicted of precluding offense.	<a href="#">Summary</a>	
2013	<a href="#">HB 2183</a>	ADOT; authorized third parties	Requires traffic survival school license applicants with 20% or more company ownership to obtain regular FPCC	<a href="#">Summary</a>	
2013	<a href="#">HB 2171</a>	driver licenses; driver training schools	Requires professional driving school instructors to obtain a regular FPCC.	<a href="#">Summary</a>	
2012	<a href="#">SB 1136</a>	fingerprinting; central registry; background checks	Establishes the Board of Fingerprinting central registry exception.	<a href="#">Summary</a>	
2012	<a href="#">HB 2674</a>	central state repository; nonprofit organizations	Adds Nonprofit organizations interacting with children or vulnerable adults to the list of Central State Repository agencies eligible to receive criminal history information via FPCC or fingerprint-based criminal history check for personnel.	<a href="#">Summary</a>	
2012	<a href="#">HB 2571</a>	state personnel system	Requires ADOA IT position applicants to undergo fingerprint-based criminal history check.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>

## Arizona Medical Board

Laws 1913, Second Special Session, Chapter 17 established the AMB to regulate the practice of allopathic medicine through licensure and complaint investigation and resolution related to medical doctors. The primary duty of the AMB is to protect the public from the unlawful, incompetent, unqualified, impaired or unprofessional practitioners of allopathic medicine through licensure, regulation and rehabilitation of the profession in the state. The AMB consists of 12 members who serve five-year terms. Members are eligible to receive compensation in the amount of \$250 per day for each day of service and related expenses. As of April, 2016 the AMB licensed 22,728 allopathic physicians.

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2364</a>	medical board; license renewal	Allows the AMB to renew a license that has expired within two years of the expiration when certain conditions are met.	<a href="#">Summary</a>	
2016	<a href="#">HB 2502</a>	medical licensure compact	Contains a variety of provisions for the AMB related to the establishment of the Medical Licensure Compact.	<a href="#">Summary</a>	
2016	<a href="#">SB 1443</a>	health profession regulatory boards	In part, requires certain information to be made available on a health profession regulatory board's (HPRB) website and states that each HPRB may establish a non-disciplinary confidential monitoring program.	<a href="#">Summary</a>	<a href="#">Veto Letter</a>
2015	<a href="#">SB 1149</a>	Arizona medical board; fingerprinting; disclosure	Specifies the AMB make available a profile to the public for each licensee, but stipulates the profile may not contain any information received from the FBI related to a federal criminal records check. Removes the requirement for a renewal licensee who did not submit fingerprints for a criminal records check when initially licensed to do so. Appropriates \$200,000 from the AMB fund in FY 2015 to refund fees collected by the AMB for the purpose of obtaining a federal and state criminal background check for renewal applicants.	<a href="#">Summary</a>	
2015	<a href="#">SB 1258</a>	medical board; affiliation verification; rulemaking	Requires the executive director of the AMB to submit to the medical consultant only those medical complaints that involve a standard of care issue and that require medical training and expertise to determine whether a violation has occurred.	<a href="#">Summary</a>	
2014	<a href="#">SB 1051</a>	medical board; pro bono registration	Eliminates the requirement for a doctor applying for a pro bono license to provide specified information outlined in statute and requires an applicant for a pro bono registration to provide the AMB with the name of each state in which the person is licensed or had held a license. Mandates the AMB verify whether an applicant is licensed or has held a license, has never had a license revoked or suspended and is not the subject of an unresolved complaint.	<a href="#">Summary</a>	
2014	<a href="#">SB 1379</a>	volunteer health services; registration	Allows a health profession regulatory board (including the AMB) to issue a volunteer health services registration to a health professional, who is not an Arizona licensee, to practice in this state for a total of up to 14 days each calendar year. The 14 days may be performed consecutively or cumulatively. Specifies the criteria a health professional must meet in order to be eligible, requires the applicant to submit the name of each state in which the person is licensed or has held a license and the AMB must verify the information. The legislation also permits the regulatory board to suspend or revoke a registration when receiving proof satisfactory to the board that the holder of the registration has engaged in practice that is outside the scope of the registration or that grounds exist for action against the holder of registration.	<a href="#">Summary</a>	

2014	<a href="#">SB 1380</a>	Arizona medical board; licensees, fingerprinting	Makes a variety of changes to the statutes for the AMB.	<a href="#">Summary</a>	
2014	<a href="#">SB 1381</a>	Arizona medical board; supplement appropriation	Appropriates \$855,000 to the AMB from the AMB Fund in FY 2014 to contract with an in-state credentials verification service for health professions to review all initial applications received by the AMB from October 1, 2011 through February 5, 2014. Specifies the contract must outline the components required for a completed application and authorize the contractor to request any additional documentation from the applicant or licensee. The contract is not subject to procurement code requirements. Permits the AMB to expend the appropriated monies in FY 2015.	<a href="#">Summary</a>	
2012	<a href="#">HB 2754</a>	disciplinary action; Arizona medical board	Allows the AMB to consider a direct or indirect competitive relationship between the complainant and the respondent in determining appropriate disciplinary action.	<a href="#">Summary</a>	
2012	<a href="#">SB 1006</a>	medical board; continuation	Continues the AMB for 10 years	<a href="#">Summary</a>	
2012	<a href="#">SB 1188</a>	medical board; duties; meetings; procedures	<p>Mandates that investigative personnel complete a nationally recognized investigator training program within one year of hire and until the investigative personnel completes the training program they must work under the supervision of an investigator who has completed the program. Prohibits the AMB from opening an investigation if identifying information regarding the complainant is not provided.</p> <p>Provides the AMB may not act on any complaint containing an allegation of unprofessional conduct that occurred more than seven years before the complaint was received. The time limitation does not apply to medical malpractice settlements or judgments. Specifies that the AMB must utilize the clear and convincing evidence standard in regards to a violation related to a disciplinary action. The AMB must apply the current standard of preponderance of evidence for matters relating to sexual misconduct.</p>	<a href="#">Summary</a>	

## Arizona State Parks

ASPB operates and maintains all 31 state parks, natural areas and historic and cultural areas. ASPB's duties include selecting areas of scenic beauty, natural features and historical properties owned by the state for management, operation and further development as state parks and historical monuments and investigating privately and federally owned land and lands owned by the state to determine which tracts should be set aside and dedicated for use as state parks, monuments or trails (A.R.S. §§ 41-511, 41-511.04).

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2702</a>	environment; budget reconciliation; 2016-2017	Allows the ASPB to spend up to \$692,100 from its portion of the Off-Highway Vehicle Recreation Fund for agency operating costs and expanded the use of the Yarnell Hill Memorial Fund to be used for purchasing, designing and constructing the Yarnell Hill Memorial.	<a href="#">Summary</a>	
2015	<a href="#">SB 1474</a>	environment; budget reconciliation; 2015-2016	Allows the ASPB to spend up to \$692,100 from its portion of the Off-Highway Vehicle Recreation Fund in FY 2016 for agency operating costs and expanded the use of the Yarnell Hill Memorial Fund to be used for purchasing, designing and constructing the Yarnell Hill Memorial.	<a href="#">Summary</a>	
2014	<a href="#">HB 2624</a>	Yarnell Hill memorial; appropriation	Establishes the Yarnell Hill Memorial State Park, the Yarnell Hill Memorial Site Board (Board) and the Yarnell Hill Memorial Fund. The 15-member board, chaired by the State Parks Director, is required to determine whether to establish a memorial dedicated to the members of the Granite Mountain Hotshot Crew if the Board also determines that the site should be memorialized. The Board is also required to establish the Memorial and approve the design and construction.	<a href="#">Summary</a>	
2014	<a href="#">HB 2707</a>	environment; budget reconciliation; 2014-2015	Authorizes the ASPB to establish the Yarnell Hill Memorial State Park contingent on the Yarnell Hill Memorial Site Board (board) recommendation that ASPB purchase the land for the Memorial site; the board approves the design and construction of the memorial; and the board secures permissions for persons to visit the memorial. Allows ASPB to enter into an intergovernmental agreement with Yavapai County for the maintenance and preservation of the Memorial and access road. Appropriates \$500,000 from the General Fund in FY 2014 to ASPB for the purpose of purchasing the Memorial site. Authorized the ASPB to spend up to \$692,100 from its portion of the Off-Highway Vehicle Recreation Fund in FY 15 for agency operating costs.	<a href="#">Summary</a>	
2014	<a href="#">SB 1326</a>	state parks; donations; fund; transportation	Establishes the Sustainable State Parks and Roads Fund (Fund) and allows taxpayers to make a voluntary contribution of their tax refund to the Fund. The bill directed the ASPB to use the Fund to operate, maintain and make capital improvements to buildings, roads, parking lots, highway entrances and any related structure used to operate state parks. The bill permits tax payers to also donate any amount to the Fund in lieu of or in addition to the designated portion of the tax refund by an appropriate indication on the return.	<a href="#">Summary</a>	

2012	<a href="#">SB 1532</a>	environment; budget reconciliation; 2012-2013	Authorizes the ASPB to spend up to \$692,100 from its portion of the Off-Highway Vehicle Recreation Fund in FY 2013 for operating expenses. Eliminates the State Parks Enhancement Fund, the Reservation Surcharge Revolving Fund and the Publications and Souvenir Revolving Fund, and consolidates their revenue sources into a new appropriated State Parks Revenue Fund.	<a href="#">Summary</a>	
2012	<a href="#">HB 2571</a>	state personnel system	Consolidates the state personnel systems, established the transition of a majority of the State workforce to uncovered and at-will status, improves management of the workforce, restructures the grievance and appeal process and updates human resources practices. The bill removed the authority of ASPB to employ a director of State Parks and instead requires the governor to appoint a director, subject to Senate confirmation, who will serve at the pleasure of the governor.	<a href="#">Summary</a>	

## Arizona State Retirement System

ASRS was established in 1953 to provide retirement, long-term disability (LTD) and other benefits to employees of the state, counties, municipalities, universities, community colleges, school districts and other political entities. ASRS is governed by a nine-member Board of Trustees (Board), appointed by the Governor and confirmed by the Senate. More about the history of ASRS can be found [here](#). ASRS is a defined benefit plan providing a monthly benefit to retired members based on years of service, salary, age and retirement option chosen. There are two “tiers” of benefits for ASRS members: Tier 1 applies to members hired before July 1, 2011; Tier 2 applies to members hired after that date.

### ***Benefit Structure***

Normal Retirement Date (the earliest of the following):

1. A member’s 65<sup>th</sup> birthday;
2. A member’s 62<sup>nd</sup> birthday and completion of at least 10 years of credited service; or
3. The first day immediately following the day that:
  - a) The sum of the member’s age and years of total credited service equal 80 (Tier I); or
  - b) Age 60 with 25 years of credited service or age 55 with 30 years of service (Tier II).

Monthly Life Annuity is the product of a multiplier and the member’s best:

1. 36-month average compensation in last 120 months for Tier I members; and
2. 60-month average compensation in last 120 months for Tier II members multiplied by years of total credited service.

Pre-1984 members can use a 60-month average and include additional types of compensation if doing so produces a larger result.

Early Retirement is at age 50 with five or more years of credited service.

Normal Form of Benefit: Straight life annuity with cash refund feature payable monthly with benefits commencing on the day following the date of termination of employment. Optional forms are also provided.

LTD is provided through a separate plan. The monthly benefit equals  $\frac{2}{3}$  of the member’s monthly compensation, reduced by percentages of other income received payable commencing six months after date of disability until the earlier of:

1. Date of cessation of total disability; or
2. Normal retirement date.

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2104</a>	ASRS; retention of credited service	Stipulates an employee in a position that was exempt from ASRS membership retains credited service for the period of employment that the employer remitted ASRS contributions on the employee’s behalf. Allows, retroactive to July 1, 2015, a retired ASRS member to return to work as a state elected official who is subject to term limits and still be eligible to receive retirement benefits.	<a href="#">Summary</a>	
2016	<a href="#">HB 2159</a>	ASRS; rulemaking exemption	Exempts ASRS and the Board from rulemaking for actuarial assumptions and calculations, investment strategy and decisions and accounting methodology, except that these decisions are subject to the Uniform Administrative Hearing Procedures.	<a href="#">Summary</a>	
2016	<a href="#">HB 2160</a>	ASRS; eligible rollovers	Allows the Board to accept a direct transfer from a member’s Individual Retirement Account or Individual Retirement Annuity and prohibits indirect rollovers.	<a href="#">Summary</a>	
2016	<a href="#">SB 1037</a>	ASRS; board delegation; benefit determinations	Permits the Board to delegate its duty and authority to a Committee of the Board to act on its behalf as specified.	<a href="#">Summary</a>	
2016	<a href="#">SB 1151</a>	ASRS;	Continues ASRS for eight years.	<a href="#">Summary</a>	



		continuation			
2015	<a href="#">HB 2338</a>	ASRS; disability program	Removes the word “total” from the description of a member’s disability for purposes of being considered eligible for LTD benefits. Does not change any of the eligibility criteria.	<a href="#">Summary</a>	
2015	<a href="#">HB 2339</a>	ASRS; rules	Removes the requirement for plans and amendments submitted by political subdivisions to conform to ASRS requirements provided in rule. Requires ASRS to make member account information accessible via either written or electronic form.	<a href="#">Summary</a>	
2015	<a href="#">SB 1096</a>	ASRS; actuarial valuation method	Allows the Board to determine which actuarial cost method to use in valuation and contribution calculations and expands the annual employer contributions report to include information on funded status and returns.	<a href="#">Summary</a>	
2015	<a href="#">SB 1097</a>	ASRS; health insurance benefits	States that if an ASRS member who is eligible for the health/accident insurance premium benefit forfeits interest in the account before termination of ASRS, the amount of the forfeiture must be quickly applied to reduce employer contributions required to fund the health insurance benefit.	<a href="#">Summary</a>	
2015	<a href="#">SB 1119</a>	ASRS; purchase of credited service	Removes the five-year cap on the purchase of prior years of service for ASRS members whose membership date started before July 20, 2011, and requires ASRS members to have at least five years of service in ASRS before purchasing prior service, if their membership date is on or after July 1, 2010.	<a href="#">Summary</a>	
2014	<a href="#">HB 2039</a>	charter schools; higher education sponsors	In part, allows all charter schools to participate in ASRS.	<a href="#">Summary</a>	
2014	<a href="#">HB 2050</a>	ASRS members; section 218 agreements	Eliminates the ASRS eligibility requirement that an employee be covered by the state’s 218 Agreement and repeals the defined contribution retirement plan for those members ineligible for ASRS or PSPRS.	<a href="#">Summary</a>	
2014	<a href="#">HB 2122</a>	ASRS; election; EORP defined contribution	Clarifies that an elected official who is a current or former member of the ASRS will maintain or resume membership within this system upon election and makes changes to the EODCRS Disability Program benefits.	<a href="#">Summary</a>	
2014	<a href="#">SB 1082</a>	ASRS; employee background checks	Allows the ASRS Director to conduct criminal records checks and credit checks of current or prospective employees.	<a href="#">Summary</a>	
2014	<a href="#">SB 1083</a>	ASRS; applicable interest rate; definition	Defines specific terms to comply with the IRC.	<a href="#">Summary</a>	
2014	<a href="#">SB 1084</a>	ASRS; long-term disability compensation	Redefines <i>monthly compensation</i> as the amount determined by taking the six pay periods immediately before the date of the member’s disability, disregarding the two highest and lowest compensation amounts and deriving the median of the two remaining pay periods.	<a href="#">Summary</a>	
2013	<a href="#">HB 2294</a>	public pensions; court commissioners	Removes language specifying the eligibility of fulltime court commissioners in ASRS and EORP as being dependent upon their inclusion in the Arizona 218 Agreement.	<a href="#">Summary</a>	
2013	<a href="#">HB 2562</a>	public retirement systems; ineligible employees	Provides coverage under the ASRS Defined Contribution Plan for employees who are ineligible for a state retirement system. In part, appropriates \$430,000 from the ASRS Administrative account to ASRS to cover the costs of expanded LTD coverage of Plan participants and IRS qualification processes.	<a href="#">Summary</a>	
2013	<a href="#">SB 1170</a>	ASRS; amendments	Makes numerous administrative changes to the statutes governing ASRS.	<a href="#">Summary</a>	
2012	<a href="#">HB 2262</a>	ASRS; employees; election; enrollment	Permits state employees over the age of 65 who are not active, inactive or retired ASRS members to opt-out of participation.	<a href="#">Summary</a>	



2012	<a href="#">HB 2264</a>	ASRS; employee; employer contributions; rate	Reverses the current 47% employer and 53% employee contribution rate split to the original 50/50% split.	<a href="#">Summary</a>	
2012	<a href="#">HB 2571</a>	state personnel system	In part, states that the Director serves at the pleasure of the Board. Allows the Board to enter into employment agreements and set terms for those agreements for specific positions, in consultation with the Director of ADOA.	<a href="#">Summary</a>	
2012	<a href="#">HB 2745</a>	PSPRS; employer contributions	In part, makes changes to ASRS statutes regarding distribution, service purchase and investments.	<a href="#">Summary</a>	
2012	<a href="#">SB 1117</a>	ASRS; administration	Increases ASRS accounts receivables collection authority.	<a href="#">Summary</a>	
2012	<a href="#">SB 1119</a>	ASRS; spousal consent	Modifies ASRS provisions regarding spousal consent.	<a href="#">Summary</a>	
2012	<a href="#">SB 1194</a>	ASRS; nonparticipatory employer; liabilities	Directs ASRS to allocate liability to employer who is no longer participating in ASRS if nonparticipation is due to specified conditions.	<a href="#">Summary</a>	

## Child Welfare System

According to the Child Welfare Reporting Requirements, Semi-Annual Report for the period of April 1, 2015 through September 1, 2015 the hotline received 26,455 reports that met the statutory criteria for a report ([DCS Reports](#)). The number of children in out-of-home care has seen a consistent increase since 2009 when there were approximately 10,000 children in out-of-home care. As of September 2015 the number of children in out-of-home care has exceeded 18,000. Following is a link to the website for the [Department of Child Safety](#).

A.R.S. [Title 8](#) (Child Safety) contains applicable statutes. Contained within are laws related to adoption, juvenile court, juvenile offenders, DCS and early childhood development and health programs.

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2059</a>	DCS information; governor access	Authorizes DCS to share information with the Governor if it is necessary to perform official duties, and prohibits the Governor from disclosing information with certain exceptions.	<a href="#">Summary</a>	
2016	<a href="#">HB 2260</a>	foster care review board; continuation	Continues the State Foster Care Review Board for eight years and makes changes to: who may serve on foster care review boards, who may adopt, who may be adopted, who may be committed to the ADJC and who may certify prospective adoptive parents. Modifies timeframes for foster parent training and requires DCS to review and hold public meetings on the implementation of foster home licensing rules and guidelines.	<a href="#">Summary</a>	
2016	<a href="#">HB 2270</a>	backlog cases; private contractors; DCS	Requires DCS to enter into one or more contracts with one or more private contractors to work cooperatively with DCS to administer backlog cases.	<a href="#">Summary</a>	
2016	<a href="#">HB 2427</a>	child removal; uniform criteria	States that DCS must apply its rules, policies and safety and risk assessment tools uniformly across this state.	<a href="#">Summary</a>	
2016	<a href="#">HB 2442</a>	behavioral health; urgent need; children	Outlines procedures for a foster or adoptive parent to obtain urgent behavioral health services for a child in need of such services.	<a href="#">Summary</a>	
2016	<a href="#">HB 2452</a>	cash assistance; eligibility; children	Requires ADES to allow cash assistance for an otherwise eligible dependent child while the dependent child is in the legal custody of DCS, a tribal court or a tribal child welfare agency located in this state.	<a href="#">Summary</a>	
2016	<a href="#">HB 2522</a>	DCS; intake hotline; reports	Clarifies the definition of a <i>DCS report</i> and permits DCS to use reports and related records from the DCS case management information system to license foster homes, certify adoptive homes or make employment decisions.	<a href="#">Summary</a>	
2016	<a href="#">SB 1238</a>	tribes; child safety; health care	In part, allows an authorized tribe to request a federal name-based background check, and within 15 days, the submission of a full set of fingerprints to obtain a state and federal criminal records check when an emergency placement for child is offered.	<a href="#">Summary</a>	
2015	<a href="#">HB 2024</a>	child safety oversight committee; continuation	Continues the Child Safety Oversight Committee through December 31, 2016, and modifies Committee membership.	<a href="#">Summary</a>	

2015	<a href="#">HB 2047</a>	child removal; supervisor review; approval	Specifies that DCS may not remove a child from the custody of the child's parent, guardian or custodian unless the child safety worker submits the reasons for removal and supporting documentation to their supervisor and the supervisor approves the removal.	<a href="#">Summary</a>	
2015	<a href="#">HB 2098</a>	department of child safety	Modifies disclosure provisions related to adoption agency information. Adjusts provisions for electronic communication by DCS. Requires the AG to establish an audit team within DCS. Provides for the release of information related to foster parents and child welfare agencies.	<a href="#">Summary</a>	
2015	<a href="#">HB 2099</a>	adoption; definitions; agency records	Defines the procedures for transfer of documents when an adoption agency ceases operations.	<a href="#">Summary</a>	
2015	<a href="#">HB 2100</a>	DCS employee personal information; confidentiality	Protects the identity of a DCS employee.	<a href="#">Summary</a>	
2015	<a href="#">HB 2166</a>	DCS information; egregious abuse; neglect	Relocates laws regarding information DCS must provide to the public in a case of fatality or near fatality and further expands disclosure requirements.	<a href="#">Summary</a>	
2014, 2 <sup>nd</sup> Special Session	<a href="#">SB 1001</a>	department of child safety	Establishes DCS and completes the transfer of the responsibility for the child welfare system to DCS. Defines the purpose of DCS and outlines responsibilities.	<a href="#">Summary</a>	
2012	<a href="#">HB 2721</a>	office; child welfare investigations; DES	Requires the Director of ADES to establish the Office of Child Welfare Investigations within ADES to conduct investigations related to criminal child abuse and neglect and criminal conduct allegations. Prescribes training and other requirements related to child welfare investigators.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>

## Citizens Clean Elections Act

The voters passed the Citizens Clean Elections Act (Act) in 1998. The Act established a campaign financing system to provide public funding to qualified candidates running for legislative and statewide offices and created the CECC to enforce the Act's provisions. To be certified as a clean elections candidate, individuals must obtain a predetermined number of \$5 qualifying contributions from constituents. Once qualified, clean elections candidates must follow strict contribution and spending limits, as well as reporting requirements and participate in required debates.

During the 2014 general election, 46 candidates ran as clean elections candidates. These candidates received approximately \$1.9 million from the CECC to conduct their campaigns. The CECC receives its funding from a 10% surcharge on all civil penalties and criminal fines, civil penalties paid by candidates and the \$5 qualifying contributions collected from participating candidates.

Because the Act, and consequently the CECC, were proposed by initiative and approved by the voters, any legislative change to Title 16, Chapter 6, Article 2 must pass with  $\frac{3}{4}$  vote of each chamber and "further the purpose of the Act" (Proposition 105).

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2050</a>	federal office; online signature collection	Allows candidates for statewide and legislative office to collect the full amount of required nomination petition signatures and \$5 qualifying contributions by use of the SOS online system.	<a href="#">Summary</a>	
2016	<a href="#">SB 1516</a>	campaign finance amendments	Repeals, rewrites and modifies campaign finance statutes, effective January 1, 2017. The bill did not receive the $\frac{3}{4}$ vote required to amend the Act and the conforming internal references in Title 16, Chapter 6, Article 2 were not changed.	<a href="#">Summary</a>	
2014	<a href="#">HB 2107</a>	elections; candidate, ballot measure signatures	Codifies the pilot program created by <a href="#">HB 2304</a> directing the SOS to provide an online system for registered voters to sign a nomination petition and submit a \$5 qualifying contribution for statewide and legislative candidates. Candidates may collect up to $\frac{1}{2}$ of the required nomination petition signatures and qualifying contributions by use of the SOS online system.	<a href="#">Summary</a>	
2014	<a href="#">SB 1344</a>	contribution limits; clean election authority	Asserts that enforcement and investigative authority for alleged violations of campaign contribution and expense requirements by nonparticipating candidates for statewide and legislative office rests with the SOS and the AG. Stipulates that the CECC has no authority to accept, investigate or otherwise act on any complaint involving nonparticipating candidates.	<a href="#">Summary</a>	
2013	<a href="#">SB 1454</a>	campaign finance; in-kind contributions; disclosures	Prohibits participating candidates from using clean elections monies to purchase goods or services that bear a distinctive trade name, trademark or trade dress item, including a logo owned by a business or other entity owned by the candidate or in which the candidate has a controlling interest. Modifies the formula utilized by the SOS to determine if a candidate qualifies for clean elections funding.	<a href="#">Summary</a>	
2012	<a href="#">HB 2779</a>	clean elections; trigger reports; repeal	Eliminates references to the matching provisions of the Act that were found unconstitutional and eliminates tax credits and tax reductions for clean elections donations. Prohibits certification of a candidate as eligible for clean elections funding if the candidate has been removed from office by the CECC or if the candidate is delinquent on a debt plan with the CECC.	<a href="#">Summary</a>	
2012	<a href="#">SB 1138</a>	clean elections; trigger reports; repeal	Eliminates the requirement for nonparticipating candidates to file financial reports whenever their spending or contribution amounts are triggered by specified dollar amounts. Modifies the timeframe in which pre-election reports must be filed and completed.	<a href="#">Summary</a>	

## Consolidated Election Dates & Charter Cities

In 1996, the Legislature created A.R.S. § 16-204 to consolidate election dates statewide in order to increase voter participation and decrease the costs to taxpayers.

### ***Prior to 2014:***

All elections in a city or town with a population greater than 175,000 persons, including recall and special elections to fill vacancies but excluding candidate elections, were required to be held on:

- 1) The 2<sup>nd</sup> Tuesday in March.
- 2) The 3<sup>rd</sup> Tuesday in May.
- 3) The 10<sup>th</sup> Tuesday before the 1<sup>st</sup> Tuesday after the 1<sup>st</sup> Monday in November.
- 4) The 1<sup>st</sup> Tuesday after the 1<sup>st</sup> Monday in November.

Candidate elections in a city or town with a population greater than 175,000 persons were required to be held on:

- 1) The 10<sup>th</sup> Tuesday before the 1<sup>st</sup> Tuesday after the 1<sup>st</sup> Monday in November.
- 2) The 1<sup>st</sup> Tuesday after the 1<sup>st</sup> Monday in November.

### ***Beginning in 2014:***

All elections, including recall and special elections to fill vacancies but excluding candidate elections, held for or on behalf of any political subdivision, excluding special taxing districts, may only be held on the following dates:

- 1) The 2<sup>nd</sup> Tuesday in March.
- 2) The 3<sup>rd</sup> Tuesday in May.
- 3) The 10<sup>th</sup> Tuesday before the 1<sup>st</sup> Tuesday after the 1<sup>st</sup> Monday in November.
- 4) The 1<sup>st</sup> Tuesday after the 1<sup>st</sup> Monday in November.

Candidate elections held for or on behalf of any political subdivision, excluding special taxing districts, may only be held on the following dates in *even-numbered* years:

- 1) The 10<sup>th</sup> Tuesday after the 1<sup>st</sup> Monday in November.
- 2) The 1<sup>st</sup> Tuesday after the 1<sup>st</sup> Monday in November.

The Arizona Constitution, Article XIII, § 2 authorizes cities with a population of 350,000 or more to frame a charter for its own government consistent with, and subject to, the laws of the state. Arizona has 19 charter cities, including Phoenix, Scottsdale and Tucson. In the cities of Avondale, Bisbee, Chandler, Douglas, Glendale, Holbrook, Phoenix, Scottsdale and Yuma, the charter authorizes the city council to hold special elections on any city issue. Nogales and Phoenix limit frequency to once every six months.

On August 18, 2014, the Arizona Court of Appeals ruled in *City of Tucson v State of Arizona* that Phoenix and Tucson may continue to hold odd-year elections because their local charters supersede the state law. Presumably, this ruling applies to the state's 17 other charter cities. On March 17, 2015, the Arizona Supreme Court denied review of the Court of Appeal's decision, maintaining that the timing of city elections is purely a matter of local concern for charter cities.

Year	Bill No	Short title	Description	Summary	Note
2015	<a href="#">HB 2214</a>	majority vote calculation; municipal elections	Makes the session law in <a href="#">HB 2126</a> permanent for non-charter city elections.	<a href="#">Summary</a>	
2014	<a href="#">HB 2126</a>	municipal annexation, size; exemption	Contains session law that creates a new calculation method for determining whether a candidate has received a majority of the votes cast for city council or mayoral elections to address the impact of consolidated elections on <i>non-charter</i> cities.	<a href="#">Summary</a>	

## Consumer Loans

Established in 1956 and revised in 1997, statute authorizes consumer lenders to offer direct closed-end loans of \$10,000 or less. A *consumer lender* is defined as a person that advertises to make or procure, solicits or hold itself out to make or procure, or makes or procures consumer lender loans to consumers. Consumer lender licensing is regulated by DFI.

Lenders may apply a finance charge on the principal amount of the loan:

1. For loan amounts of \$3,000 or less, a finance charge of up to 36%;
2. For loan amounts greater than \$3,000, a finance charge of up to 36% on the initial \$3,000 and up to 24% on the remaining balance.

Statute delineates term periods for repayment based on the amount of the consumer loan as follows:

1. 24 months for loans up to \$1,000;
2. 36 months for loans between \$1,000 and \$2,500;
3. 48 months for loans between \$2,500 and \$4,000;
4. 60 months for loans between \$4,000 and \$6,000;
5. Any agreed amount of time for loans between \$6,000 and \$10,000.

In addition to the finance charge other fees may be applied, including a loan origination fee capped at \$150, a delinquency charge and a dishonored check service fee.

Lenders may offer and sell the following types of insurance in connection with a consumer lender loan:

Property Insurance; Life Insurance; Credit Disability Insurance; Credit Involuntary Unemployment Insurance; Accidental Death and Dismemberment Insurance (AD&D); Disability Income Protection Insurance (DIP).

Year	Bill No	Short title	Description	Summary	Note												
2016	<a href="#">HB 2152</a>	consumer lenders; referral fees; insurance	Removes the prohibition on referral fees and the monetary cap on prizes and goods. Allows a lender to offer and sale AD&D and DIP Insurance in connection with a consumer lender loan.	<a href="#">Summary</a>													
2014	<a href="#">HB 2526</a>	consumer lender loans	<div>Modifies the finance charge structure for loans, as follows: <i>Prior:</i><table><tr><td>Original Principal Amount/ Credit Limit</td><td>Finance Charges/ APR <i>max rates</i></td></tr><tr><td>\$1,000 or less</td><td>36%</td></tr><tr><td>Greater than \$1,000</td><td>36% on the initial \$500 24% on the remaining balance</td></tr></table> <i>Current:</i><table><tr><td>Original Principal Amount/ Credit Limit</td><td>Finance Charges/ APR <i>max rates</i></td></tr><tr><td>\$3,000 or less</td><td>36%</td></tr><tr><td>Greater than \$3,000</td><td>36% on the initial \$3,000 24% on the remaining balance</td></tr></table> Increased the cap on loan origination fee from \$75 to \$150</div>	Original Principal Amount/ Credit Limit	Finance Charges/ APR <i>max rates</i>	\$1,000 or less	36%	Greater than \$1,000	36% on the initial \$500 24% on the remaining balance	Original Principal Amount/ Credit Limit	Finance Charges/ APR <i>max rates</i>	\$3,000 or less	36%	Greater than \$3,000	36% on the initial \$3,000 24% on the remaining balance	<a href="#">Summary</a>	
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Greater than \$3,000	36% on the initial \$3,000 24% on the remaining balance																

## Correctional Officer Retirement Plan

CORP is a multiple-employer public employee retirement plan established by Title 38, Chapter 5, Article 6 to provide benefits for prison and jail employees of certain state, county and local governments. CORP includes a cost-sharing multiple-employer plan for the Administrative Office of the Courts and probation officers, and a multiple-employer plan for all other members. The PSPRS Board of Trustees and 26 local boards administer CORP. A member may not borrow from, take a loan against or remove contributions from the member's account before termination of membership in CORP or receipt of a pension ([A.R.S. § 38-891](#)).

Member contributions are 8.41% of the member's salary or 50% of the sum of the member's contribution rate from the preceding FY and the aggregate computed employer contribution, whichever is lower, with exceptions. Actual funded status and employer rates vary across the plan.

### ***Benefit Structure***

**Tier I** covers members hired before January 1, 2012. The average monthly benefit is an average of the member's highest 36 consecutive months of salary in the last 10 years of service. The amount of normal retirement pension is 4% of the member's average yearly salary multiplied by the years of the member's credited service, not to exceed 80% of the member's average yearly salary. Retirees are eligible for a PBI of up to 4% if there is money available. The PBI account is funded with ½ of all returns greater than 9% in any given year ([A.R.S. § 38-905](#)).

**Tier II** covers members hired after January 1, 2012. The average monthly benefit is determined by the average of the member's highest 60 consecutive months within the last 10 years of completed years of credited service as an elected official that yields the highest average. The amount of a normal retirement pension is 3% of the member's average yearly salary multiplied by the member's credited service, not to exceed 75% of the member's average yearly salary. Retirees are eligible for a PBI of 2-4% only when returns exceed 10.5% and funded status is greater than 60% ([A.R.S. § 38-805.02](#)).

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2643</a>	PSPRS; CORP; EORP; administration changes	Clarifies the alternate contribution rate paid by a CORP employer for retirees who return to work. Stipulates that a CORP member who retires having met all the qualifications for retirement and subsequently becomes an elected official is not considered reemployed by the same employer.	<a href="#">Summary</a>	
2016	<a href="#">SB 1160</a>	CORP; reverse deferred retirement option	Removes the repeal date of July 1, 2016, for the reverse DROP Program.	<a href="#">Summary</a>	
2016	<a href="#">SB 1152</a>	PSPRS; EORP; CORP; continuation	Continues CORP for eight years.	<a href="#">Summary</a>	
2015	<a href="#">SB 1057</a>	PSPRS; health benefits; retirement benefits	Makes changes to the lump sum payment of PBIs and the health insurance/accident premium benefit program PSPRS.	<a href="#">Summary</a>	
2014	<a href="#">HB 2166</a>	PSPRS contributions; county employers	Permits a county employer under PSPRS that elected to pay a higher level percentage contribution rate to eliminate that rate amount for members hired on or after January 15, 2015.	<a href="#">Summary</a>	
2014	<a href="#">HB 2693</a>	PSPRS; employer liability; death benefits	Requires the PSPRS actuary to calculate the Actuarial Present Value of death benefits for persons killed in the line of duty for valuation purposes.	<a href="#">Summary</a>	
2014	<a href="#">HB 2708</a>	budget procedures; 2014-2015.	In part, requires PSPRS Board to include additional information related to future anticipated contribution rates in the comprehensive annual financial report submitted to the Governor and the Legislature.	<a href="#">Summary</a>	
2013	<a href="#">HB 2056</a>	PSPRS; amendments	Makes administrative changes to the statutes governing PSPRS.	<a href="#">Summary</a>	



2013	<a href="#">HB 2562</a>	public retirement systems; ineligible employees	Provides coverage under the ASRS Defined Contribution Plan for employees who are ineligible for a state retirement system.	<a href="#">Summary</a>	
2012	<a href="#">SB 1115</a>	PSPRS; investments	Stipulates that loans, guarantees, investment management agreements and investment contracts made by PSPRS receive due diligence regarding the Arizona Sudan and Iran acts as well as federal immigration law.	<a href="#">Summary</a>	
2012	<a href="#">SB 1116</a>	PSPRS; CORP; EORP; amendments	Modifies CORP statutes relating to qualified domestic relations orders, death benefits, local boards, credited service and payment of pension.	<a href="#">Summary</a>	
2012	<a href="#">HB 2409</a>	PSPRS; pension buy back payments	Outlines service purchase payment guidelines for pension buy backs in PSPRS.	<a href="#">Summary</a>	
2012	<a href="#">HB 2571</a>	state personnel system	In part, states that the Director serves at the pleasure of the PSPRS Board. Moves PSPRS under the state personnel system. Allows the Board to enter into employment agreements and set terms for those agreements for specific positions, in consultation with the Director of ADOA.	<a href="#">Summary</a>	
2012	<a href="#">HB 2745</a>	PSPRS; employer contributions	Prohibits the requirement of an alternate contribution rate for a retired PSPRS member who is required to participate in another state retirement system and the retired member returned to work before July 20, 2011. Also provides changes to ASRS statutes regarding distribution, service purchase and investments.	<a href="#">Summary</a>	



## County Recorders & Elections

In Arizona, there are 15 county recorders, 13 county election directors and 2 clerks of the board of supervisors/election directors. Among other responsibilities, county recorders must maintain voter polls, report statistics to the public and the SOS, maintain PEVL, administer early voting and check signatures on returned early ballots.

Year	Bill No	Short title	Description	Summary	Note
2015	<a href="#">HB 2595</a>	late filings; campaign finance reports	Creates a four-day window for early ballot distribution from no earlier than the 27 <sup>th</sup> day to no later than the 24 <sup>th</sup> day before the election if requests are received on or before the 31 <sup>st</sup> day prior to an election.	<a href="#">Summary</a>	
2014	<a href="#">HB 2100</a>	address confidentiality program	Allows eligible participants in the SOS's Address Confidentiality Program to request confidentiality in documents maintained by the county recorder.	<a href="#">Summary</a>	
2012	<a href="#">HB 2033</a>	public electronic posting; government bodies	Permits the courts to award the county recorder reasonable expenses incurred in signature verification in any challenge where the county recorder is required to conduct signature verification, the county recorder is a party or the court determines the challenge was without substantial justification or was primarily or solely for delay.	<a href="#">Summary</a>	

## Deannexation

A.R.S. § 9-471.02 prescribes guidelines for a municipality to deannex and sever a territory to allow for an adjacent municipality to annex the territory. Statute requires the territory a municipality intends to annex be contiguous, meaning that the territory adjoins the exterior boundary of the annexing city or town for at least 300 feet, is at all points at least 200 feet in width, excluding rights-of-way and roadways, and there is a 2:1 length to width ratio (A.R.S. § 9-471). Additionally, both municipalities are required to adopt ordinances that contain the legal description of the territory, file the approved ordinances with the BOS and notify property owners at least 20 days prior to the hearing.

The BOS is required to set a hearing date between 30 to 60 days after both municipalities have filed the ordinances. The BOS must permit the deannexation and the annexation between the municipalities if the BOS determines the statutory requirements have been fulfilled and protests filed are deemed insufficient. However, if 51% of property owners in the territory to be deannexed protest the action, the BOS must then deny the deannexation. Any resubmittal of a proposal for deannexation that was previously denied by the BOS must be submitted at least one year after denial.

A.R.S. § 9-471.03 allows a municipality to deannex, sever and return territory to a county if that territory is a county owned park, a park operated on public lands by a county, or land owned by a flood control district. Statute requires the governing body of the municipality and the county to adopt an ordinance containing the legal description of the territory and declare the deannexation contingent on the fulfillment of the conditions in statute. Additionally, the BOS is required to hold a public hearing between 30 to 60 days after the date the ordinance is filed.

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2076</a>	annexation; single property owner; exception	Modifies the requirements for which a territory is considered contiguous. Provides a territory is considered contiguous if all of the real property within the territory is owned by one person, the city or town and owner agree to the annexation, and if the territory adjoins the exterior boundary of the annexing city or town for at least 300 feet.	<a href="#">Summary</a>	
2015	<a href="#">HB 2383</a>	invalid annexation; boundaries; procedures	Outlined a process to void an invalid annexation to sever territory from a municipality and return it to the county. This law was aimed at a subdivision named Ghost rider in Mesa whose residents wanted to be under the jurisdiction of Maricopa County.	<a href="#">Summary</a>	
2014	<a href="#">HB 2148</a>	municipalities; counties; transfer; right-of-way	Clarified Laws 2013, Chapter 127 and stipulated that a transfer of property between governing bodies of a county and a municipality must be treated by the receiving municipality as if the transferred property was newly annexed territory.	<a href="#">Summary</a>	
2014	<a href="#">HB 2330</a>	municipalities; deannexation; public right-of-way	Allowed a public right-of-way that is partially located in a municipality and partially located in a county to be deannexed from the municipality and returned to the county under specified conditions.	<a href="#">Summary</a>	
2013	<a href="#">HB 2138</a>	municipalities; right-of-way; transfer	Allowed a county roadway or right-of-way to be transferred by mutual consent of the county and city governing bodies.	<a href="#">Summary</a>	

## Dental Board

Laws 1935, Chapter 24 established the SBDE with the mission to provide professional, courteous service and information to the dental profession and the general public through examination, licensure, complaint adjudication, enforcement processes and to protect the health, safety and welfare of Arizona citizens through a fair and impartial system.

The SBDE consists of six licensed dentists, two licensed dental hygienists, two public members and one business entity member all appointed by the governor to serve four-year terms. Members are entitled to receive compensation in the amount of \$200 per day for SBDE related service along with expenses. As of June 2016, there were 4,768 licensed dentists, 4,367 licensed dental hygienists, 12 denturists and 334 licensed business entities.

### [SBDE Statutes and Rules](#)

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">SB 1443</a>	health profession regulatory boards	In part, requires certain information to be made available on a health profession regulatory board's (HPRB) website and states that each HPRB may establish a non-disciplinary confidential monitoring program.	<a href="#">Summary</a>	<a href="#">Veto Letter</a>
2015	<a href="#">HB 2496</a>	dental board; regulation; fingerprinting	Requires a dentist, dental hygienist or denturist obtain a valid fingerprint clearance card. Specifies that any licensee, certificate holder or applicant for licensure or certification bear the expense for an evaluation if SBDE orders physical, psychological, psychiatric or competency evaluations. Provides that if SBDE, in the case of a licensee or certificate holder who is impaired by alcohol or drug abuse after completing a second monitoring program, must determine the necessary action to be taken regarding the licensee or certificate holder.  Specifies all disciplinary or non-disciplinary actions or orders issued by SBDE must be posted to the individual's profile on the website. All meetings of the SBDE must be audio recorded and posted to their website. Requires the establishment of a minimum number of practice hours for dentists or dental hygienists applying for licensure by credential.  Continues SBDE for eight years.	<a href="#">Summary</a>	
2015	<a href="#">SB 1282</a>	teledentistry; dental hygienists; dental assistants	Outlines the duties of a dental hygienist to include; inspecting the oral cavity and surrounding structures to facilitate a diagnosis, periodontal screening or assessment, exposing and processing dental radiographs, and restorative functions permissible for an expanded function dental assistant (EFDA) if the dental hygienist is qualified. Permits dental hygienists employed by or working under contract or as a volunteer for a public health agency, institution or school to perform a screening or assessment and apply sealants and topical fluoride.  Relocates and modifies the statutes related to affiliated practice relationships (APRs). Allows a dental hygienist to enter into an APR. The requirements specify that the dental hygienist must consult with the affiliated dentist if the proposed treatment is outside the scope of the agreement. Limits the number of APRs a dentist can enter into at any one time to three.  Includes functions that an EFDA may perform. Allows for the utilization of teledentistry under specified conditions.	<a href="#">Summary</a>	

2014	<a href="#">SB 1343</a>	dentists; business entities	Requires business entities providing dental services that are not owned by dentists to register with SBDE. Professional LLCs and business organizations may provide dental services if properly registered and these entities must prominently display ownership information or registration documentation at their locations.	<a href="#">Summary</a>	
2013	<a href="#">HB 2409</a>	dental hygienists; examinations	Requires an applicant for licensure, in addition to the National Dental Hygiene Board Examination and the Arizona Dental Jurisprudence Examination, to pass a clinical examination that is either the Western Regional Examining Board Examination or an examination administered by another state or testing agency that is substantially equivalent to the requirements of this state as determined by SBDE.	<a href="#">Summary</a>	
2013	<a href="#">HB 2513</a>	dentistry	<p>Allows a licensee who is fully retired to contribute services to a recognized charitable institution with a reduced renewal fee while still maintaining their license. A licensee is required when applying for retired or disabled status to relinquish any prescribing privileges and surrender any registration issued by the U.S. DEA.</p> <p>Expands the definition of <i>unethical conduct</i> to include engaging in a policy or practice that interferes with the professional judgment of a licensee providing dental services for a business entity or compromising a licensee's ability to comply with dental regulations. Prohibits SBDE from acting on an alleged violation complaint that occurred more than six years before the complaint was received except for medical malpractice settlements or judgments. Outlines requirements for a licensee to comply with before filing a complaint with SBDE relating to a registered business entity suspected of unethical conduct.</p>	<a href="#">Summary</a>	
2012	<a href="#">HB 2259</a>	dental board; omnibus	Streamlines the process for referring cases to SBDE by allowing the Executive Director to refer cases to the SBDE for a formal interview, and if delegated by the SBDE, enter into a stipulation agreement with a person for treatment, rehabilitation and monitoring of chemical substance abuse or misuse.	<a href="#">Summary</a>	
2012	<a href="#">SB 1004</a>	dental hygienists; local anesthetics	Permits a dental hygienist to administer local anesthetics under general supervision when: the patient is at least 18 years of age; has been examined by a dentist in the last 12 months; there has been no change in the patient's medical history and if there has been a change the dental hygienist must consult with the dentist prior to administering anesthetics; and the supervising dentist has approved the patient for the administration of local anesthetics.	<a href="#">Summary</a>	

## Driving Under the Influence

Arizona law provides that it is unlawful for a person to drive or be in actual physical control of a vehicle while under the influence of intoxicating liquor or drugs. In Arizona, if a person has a blood alcohol concentration (BAC) of 0.08 or more within two hours driving, it is presumed at trial that the person was under the influence. If the vehicle is a commercial vehicle, the person is presumed to be under the influence if his or her BAC is 0.04 or more. A person who is convicted of a DUI is guilty of a Class 1 Misdemeanor. In addition, a person who is convicted of a DUI is required to do the following: (1) Serve not less than ten consecutive days in jail (some of the sentence may be suspended under certain circumstances), (2) Pay a fine of not less than \$250, (3) May be ordered to perform community restitution by the court, (4) Pay an additional assessment of \$500 to the Prison Construction and Operations Fund (PCOF), (5) Pay an additional assessment of \$500 to the Public Safety Equipment Fund (PSEF), and (6) Equip any motor vehicle the person drives with a certified ignition interlock device. Surcharges are also applied.

The implied consent law in Arizona specifies that a person who operates a motor vehicle in the state consents to a blood, breath or urine analysis to test BAC or drug content. When a law enforcement officer reasonably believes that the driver of vehicle has committed a DUI, the officer may require the person to submit to one or more BAC or drug content tests. If the person refuses to submit to a test, the person's driver license is suspended for a period of 12 months. After the person's license has been suspended for 90 days, he or she may apply to the MVD for a special ignition interlock restricted driver license for the remaining period of the suspension.

Arizona also penalizes certain DUI offenses based on the person's BAC and the circumstances surrounding the violation. For example, a person commits an extreme DUI by having a BAC of 0.15 or more within two hours of driving or being in actual physical control of a vehicle. In addition, there are four primary ways to commit an aggravated DUI in Arizona. For each DUI violation, there are minimum jail sentence requirements and assessments imposed based on the circumstances. The penalties for DUI violations depend on the type of violation as well as the number of violations the person commits within an eighty-four month period.

Year	Bill No	Short Title	Description	Summary	Note
2016	<a href="#">HB 2514</a>	restricted vehicle use; DUI; exemption	Exempts real estate, cemetery and membership camping brokers and salespersons from the requirement that a person convicted of, or awaiting trial for a DUI within five years of applying for a fingerprint clearance card must not drive any vehicle to transport employees or clients as part of their employment.	<a href="#">Summary</a>	
2016	<a href="#">HB 2701</a>	criminal justice; budget reconciliation; 2016-2017	Expands eligibility for the ADC Prisoner Transition Program by removing DUI violations from the list of precluding offenses.	<a href="#">Summary</a>	
2016	<a href="#">SB 1228</a>	ignition interlock requirement; DUI; drugs	Eliminates the ignition interlock device requirement for a driving under the influence violation not involving intoxicating liquor and allows the court to require an ignition interlock device.	<a href="#">Summary</a>	
2016	<a href="#">SB 1295</a>	DUI; watercraft; medical practitioner; authorization	Expands the prosecution for a DUI or OUI violation resulting from the person having any drug or its metabolite in the person's body to include if the person is using a drug prescribed by a licensed medical practitioner who is authorized to prescribe the drug.	<a href="#">Summary</a>	
2013	<a href="#">HB 2171</a>	driver licenses; driver training schools	Changes hearing requirements under implied consent laws, revises various definitions in the DUI statutes and modifies certain requirements for driving training schools.	<a href="#">Summary</a>	

2013	<a href="#">HB 2182</a>	DUI; ignition interlock devices	Eliminates the ability of a person to be placed in a continuous alcohol monitoring program in lieu of getting an ignition interlock device, except those already permitted by ADOT	<a href="#">Summary</a>	
2012	<a href="#">HB 2062</a>	DUI; incarceration; assessment	Allows a city or town council to impose an assessment on a DUI offender, not to exceed \$300, if the person was convicted in municipal court and the court did not order the person to reimburse the political subdivision for incarceration costs.	<a href="#">Summary</a>	<a href="#">Veto Letter</a>

## Elected Officials Retirement Plan / Elected Officials Defined Contribution Retirement System

EORP is a cost sharing multiple-employer public retirement plan established by Title 38, Chapter 5, Article 3 to provide benefits for elected officials and judges of certain state, county and local governments. The PSPRS Board of Trustees administers EORP. Each member is required to contribute 13% of compensation to EORP on a pre-tax basis by payroll deduction. A member may not borrow from, take a loan against or remove contributions from the member's account before termination of membership in EORP or receipt of a pension ([A.R.S. § 38-810](#)).

**Benefit Structure** (A.R.S. §§ [38-805](#) and [38-808](#)).

**Tier I** covers employees who became a member of EORP before December 31, 2011. The average monthly benefit is determined by the average of the member's highest 36 consecutive months within the last 10 years of completed credited service as an elected official that yields the highest average. Early retirement includes a reduction for age and the amount of normal retirement pension is 4% of the member's average yearly salary multiplied by the years of the member's credited service, not to exceed 80% of the member's average yearly salary. Retirees are eligible for a PBI of up to 4% if there is money available. The PBI account is funded with ½ of all returns greater than 9% in any given year ([A.R.S. § 38-818](#)).

**Tier II** covers employees who became a member of EORP after January 1, 2012. The average monthly benefit is determined by the average of the member's highest 60 consecutive months within the last 10 years of completed years of credited service as an elected official that yields the highest average. Early retirement is not available and the amount of a normal retirement pension is 3% of the member's average yearly salary multiplied by the member's credited service, not to exceed 75% of the member's average yearly salary. Retirees are eligible for a PBI of 2-4% only when returns exceed 10.5% and funded status is greater than 60% ([A.R.S. § 38-818.01](#)).

In 2013, the Legislature closed EORP to new members, created EODCRS and set the employer contribution rate to 25.06% of covered payroll (23.50% for pension and 1.56% for health insurance). An annual \$5 million appropriation from the state GF through FY 2043 supplements the normal cost plus an amount to amortize the unfunded accrued liability ([A.R.S. § 38-810](#)). EODCRS members contribute 8% of compensation to an annuity account annually ([A.R.S. § 38-833](#)). All employers who are in EORP are required to be in EODCRS to ensure EORP legacy costs continue to be funded by those employers whose members contribute to that liability. The employer contributions are used to pay for:

- 1) EORP Defined Benefits = employer normal cost plus an amount to amortize the unfunded accrued liability;
- 2) EODCRS Defined Contribution = 6% of pay for those electing EODCRS; and
- 3) ASRS Defined Benefits = employer's contribution amount.

Elected officials who are elected, appointed or hired on or after January 1, 2014 have one of three different paths available to them:

- 1) Elected officials who were members of EORP prior to January 1, 2014 remain members of the legacy EORP.
- 2) Elected officials who were members of ASRS prior to January 1, 2014 are permitted to continue or resume participation in ASRS in lieu of participation in EODCRS.
- 3) Elected officials who were elected or appointed on or after January 1, 2014 are required to participate in EODCRS.

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">SB 1152</a>	PSPRS; EORP; CORP; continuation	Continues EORP for eight years.	<a href="#">Summary</a>	
2015	<a href="#">SB 1055</a>	EORP; health benefits; retirement benefits	Makes changes to the lump sum payment of PBIs and the health insurance/accident premium benefit program under EORP.	<a href="#">Summary</a>	



2014	<a href="#">HB 2122</a>	ASRS; election; EORP defined contribution	Clarifies that an elected official who is a current or former member of ASRS must remain within ASRS upon election and makes changes to the EODCRS Disability Program benefits.	<a href="#">Summary</a>	
2013	<a href="#">HB 2608</a>	EORP; closure; defined contribution	Closes EORP to new members and requires PSPRS to establish and administer the EODCRS. Allows elected officials who are members of EORP prior to January 1, 2014 to remain members of EORP. Allows elected officials who are members of ASRS prior to January 1, 2014 to continue or resume participation in ASRS in lieu of participation in EODCRS. Requires all other elected officials who are elected or appointed on or after January 1, 2014 to participate in EODCRS and the EODCRS disability program. Requires an EODCRS member to contribute 5% gross salary to an annuity account annually and requires employers to contribute 6% of gross salary to each member's annuity account. Requires an employer who participates in EORP and EODCRS to contribute 23.5% of payroll for all employees participating in either plan to cover the normal cost, amortize the current EORP accrued unfunded liability, and contribute to EODCRS annuity accounts. Appropriates \$5 million from the state GF to EORP each FY from FY 2014 through 2043.	<a href="#">Summary</a>	
2013	<a href="#">SB 1174</a>	EORP; amendments	Makes administrative changes to EORP. Clarifies group health and accident coverage, modifies the definition of physician, requires death benefits to be paid directly to an eligible child at age 18, allows transfer of service via installments and prohibits a member from accessing the monies in their account until retirement or termination.	<a href="#">Summary</a>	
2012	<a href="#">HB 2409</a>	PSPRS; pension buyback payments	Provides members of EORP the ability to use lump sum and installment payments when purchasing pension buybacks.	<a href="#">Summary</a>	
2012	<a href="#">SB 1116</a>	PSPRS; CORP; EORP; amendments	Modifies EORP statutes relating to qualified domestic relations orders, death benefits, local boards, credited service and payment of pension.	<a href="#">Summary</a>	



## Empowerment Scholarship Accounts

The ESA program was established in 2011 to provide qualifying students with scholarships to use for homeschooling, private education or other educational materials. Qualifications for enrollment in the ESA program include having a disability, attending a D or F district, being a child of a parent actively in the Armed Forces or who was killed in the line of duty, being the sibling of a current or previous ESA recipient and being or having been a ward of the juvenile court. Students enrolled in the program receive a portion of the monies that would have otherwise been allocated to the child's public school in an account for specified purchases such as private school tuition, textbooks, educational therapies, curriculum and tuition or fees at eligible postsecondary institutions. ADE indicated in May, 2014, that all ESA recipients receive 90% of the Charter Additional Assistance amount in addition to the Base Level. New enrollment in the ESA program is capped through 2019 at 0.5 % of total public school enrollment, which equates to approximately 5,400 students per year. Information regarding ESA funding may be found [here](#).

Year	Bill No.	Short Title	Description	Summary	Note
2016	<a href="#">SB 1280</a>	empowerment scholarship accounts; eligibility; administration	Expands ESA eligibility to the child of a parent who is legally blind, deaf or hard of hearing. Requires ADE to accept applications year-round and issue an award letter to eligible applicants within 45 days. Prohibits a student who has been removed from the ESA program from being eligible for enrollment and makes other programmatic changes.	<a href="#">Summary</a>	
2016	<a href="#">SB 1457</a>	eligibility; empowerment scholarships; health insurance	Allows ESA students who have been identified as having a disability to remain in the ESA program through the age of 22 and outlines a procedure to determine continued eligibility for those students past the age of 18.	<a href="#">Summary</a>	
2015	<a href="#">SB 1332</a>	empowerment scholarship accounts; reservation residences	Expands ESA eligibility to include children who reside on an Indian reservation and establishes the ESA Special Education Study Committee.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2014	<a href="#">HB 2139</a>	increased eligibility; empowerment scholarship accounts	Expands ESA eligibility to children who are the siblings of previous or current ESA recipients and children eligible to enroll in a program for preschool children with disabilities.	<a href="#">Summary</a>	
2014	<a href="#">HB 2150</a>	empowerment scholarships; military families	Expands ESA eligibility to children whose parent or guardian was killed in the line of duty and exempts those children from further qualification criteria.	<a href="#">Summary</a>	
2014	<a href="#">SB 1237</a>	empowerment scholarship accounts; revisions	Specifies that kindergarten students must reside within the attendance boundary of a D or F school to be ESA eligible, requires ADE to contract with a third party to determine if a student is qualified to receive education therapies, requires parents to use a portion of ESA monies each quarter to provide an education and allows ADE to transfer ESA money on a non-quarterly basis.	<a href="#">Summary</a>	
2013	<a href="#">HB 2458</a>	empowerment scholarship accounts; fraud prevention	Allows ESA monies to be used for contributions to a Coverdell Education Savings Account, requires ADE to conduct quarterly and annual audits of ESAs, allows ADE to remove students from eligibility for failure to comply with the contract and outlines policies that ADE may adopt to administer ESAs and monitor fraudulent activity.	<a href="#">Summary</a>	
2013	<a href="#">SB 1363</a>	empowerment scholarship accounts; expansion; funding	Expands ESA eligibility to kindergarteners, increases ESA funding to 90% of the sum of the Base Support Level and Additional Assistance and caps new ESAs at	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>

			0.5% of the total number of public school students during the previous school year through 2019.		
2012	<a href="#">HB 2622</a>	school rankings; display; time period	Expands the definition of an ESA qualified student to a child who is attending a D or F school or school district, who is a current or past ward of the Juvenile Court, has received an Arizona Scholarship for Pupils with Disabilities, is the child or ward of an active duty Armed Forces member or who is eligible to receive a STO scholarship. Allows ESA monies to be spent on educational therapy or services provided by licensed aides and paraprofessionals or by public schools. Prohibits ESA expenditures on specified expenses. Allows ADE to retain 5% of ESA monies for administrative costs. Requires ESA participants to be subjected to existing requirements for a minimum education.	<a href="#">Summary</a>	
2012	<a href="#">HB 2626</a>	empowerment scholarship accounts; expansion	Similar provisions to HB 2622 above (See Veto Letter).	<a href="#">Summary</a>	<a href="#">Veto Letter</a>

## Fire Districts

Fire districts are special taxing districts responsible for providing emergency services within a specified area. Statute outlines the process for the formation of a fire district which includes an impact statement, hearing by the county board of supervisors, written notice provided to each owner of taxable property and qualified elector in the proposed district and circulation of a petition that must be signed by: 1) more than ½ of the property owners in the proposed district; 2) by people owning more than ½ of the assessed valuation of the area in the proposed district; and 3) more than ½ of the qualified electors in the proposed district. Once formed, a fire district may merge, consolidate, dissolve or alter its boundaries according to statute. Fire districts are governed by a three or five-member board who are elected to serve staggered four-year terms. Currently, there are over 150 fire districts throughout the state.

Noncontiguous county island fire districts are a unique subset of fire districts that are a result of county islands. Statute outlines slight differences in regard to formation, board guidelines and financial reporting requirements. There are currently five noncontiguous county island fire districts in the state, all of which are located in Maricopa County.

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2197</a>	fire districts; merger; consolidation	Allows merged or consolidated fire districts to retain the amount of FDAT each district received at the time of the merger or consolidation.	<a href="#">Summary</a>	
2016	<a href="#">HB 2198</a>	vacancies; fire districts; board operations	Requires a fire district board to have a quorum of members in order to fill a vacancy on the board, unless the vacancy is a result of the expiration of a term.	<a href="#">Summary</a>	
2016	<a href="#">SB 1244</a>	fire districts; wildland fires; budgets	Authorizes a temporary five-year budget override for the 2016 and 2017 general elections. Sets the override tax limit rate at \$3.50 per \$100 of assessed valuation, rather than the current limit of \$3.25 per \$100 of assessed valuation.	<a href="#">Summary</a>	
2015	<a href="#">HB 2162</a>	rural fire district study committee	Establishes the Joint Legislative Study Committee on Rural Area Fire District Funding and Taxation.	<a href="#">Summary</a>	
2015	<a href="#">SB 1312</a>	fire districts; operations; revisions	Modifies requirements regarding merged and consolidated fire districts, fire district audits, reports and reviews.	<a href="#">Summary</a>	
2014	<a href="#">HB 2218</a>	fire district reorganization elections	Requires candidates in a fire district reorganizing election to follow statutory nomination procedures, modifies timeframes for canvassing election returns and removes the ability for a fire district board to reorganize and be administered by an elected chief.	<a href="#">Summary</a>	
2014	<a href="#">SB 1387</a>	special districts	Requires a fire district administered by a three-member board that levy taxes of \$500,000 or more in a FY to be administered by a five-member board. Prohibits reorganizing as a three-member board and outlines the process to fill vacancies of a three-member board that is expanding to a five-member board. Noncontiguous county island fire districts are exempt from the aforementioned provisions.	<a href="#">Summary</a>	
2013	<a href="#">HB 2572</a>	financial standards; fire districts	Reorganizes statutes relating to a fire district's powers and duties. Specifies new requirements that every adopted fire district budget must include.	<a href="#">Summary</a>	
2013	<a href="#">SB 1282</a>	countywide fire district; study committee	Establishes the Study Committee on Countywide Fire Districts and outlines membership and responsibilities.	<a href="#">Summary</a>	
2013	<a href="#">SB 1292</a>	fire districts; treasurer; authorization	States that a designated fire district board member who has been given access to the financial books and records of the fire district may lawfully access those records.	<a href="#">Summary</a>	

2012	<a href="#">HB 2184</a>	fire district; alternative tax rate	Allows a fire district to temporarily increase the tax per \$100 of assessed valuation from \$3.25 to \$3.75 under certain conditions.	<a href="#">Summary</a>	
2012	<a href="#">SB 1407</a>	fire district; boundaries	Makes multiple changes related to the procedures for creating or adjusting fire district boundaries. Allows individual parcels of land to be included in a fire district if the parcel is located within 2,640 feet of an adjacent district. Modifies the procedures for forming a noncontiguous county island fire district and expands the ability to form a noncontiguous district to all counties.	<a href="#">Summary</a>	
2012	<a href="#">HB 2621</a>	local government budgets; posting; contents	Requires a complete copy of the adopted budget posted in a prominent location on the district's official website, or on a website of an association of fire districts for districts that do not have official websites. Specifies posting details.	<a href="#">Summary</a>	

## Flood Control Districts

Every county in the state organizes a flood control district that is governed by the county's board of supervisors. These districts have the authority to identify flood hazards, adopt and enforce floodplain regulations, regulate drainage and development, develop flood warning programs and acquire, maintain and operate flood control structures, among other authorities. The district may also authorize the construction of structures in a floodplain or watercourse.

Current law restricts the types of structures that can be built within watercourses or floodplains. A person must obtain permission from a district in order to construct certain structures in a floodplain or in a watercourse if it will divert, retard or obstruct the flow of waters. Permission is not necessary however, for the construction of bridges, storage dams for watering livestock or wildlife, for waste disposal areas used in connection with mining, or for other specific structures.

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2474</a>	mobile homes; county floodplain regulations	Allows mobile homes located in a mobile home park or subdivision in a floodplain to be replaced by another mobile home under certain conditions.	<a href="#">Summary</a>	
2015	<a href="#">HB 2212</a>	licensing; accountability; enforcement; exceeding regulation	Requires the court to award the prevailing party the amount of costs and fees associated with the licensing application case against a municipality, county, state or district, including flood control districts.	<a href="#">Summary</a>	
2015	<a href="#">HB 2349</a>	flood control districts; administrative enforcement	Alters notice requirements for violations pertaining to unauthorized floodplain development. Allows a county with a population less than 175,000 to adopt procedures for processing and examining flood plain development violations.	<a href="#">Summary</a>	
2015	<a href="#">SB 1298</a>	rules; counties; flood control districts	Requires counties and flood control districts to adopt procedures regarding rulemaking and rule enforcement. The county or district is also required to establish procedures regarding notification, public comment and complaint processes. Exempts counties from rulemaking requirements for: ordinances adopted by the board of supervisors, substantive policy statements, certain procedural documents, use or adoption of a form that is consistent with an ordinance or statute, functions related to air quality control and county subdivision regulations. Exempts flood control districts from rulemaking requirements for substantive policy statements, certain procedural documents and use or adoption of a form that is consistent with an ordinance or statute.	<a href="#">Summary</a>	
2013	<a href="#">HB 2178</a>	flood control districts; administrative actions	Allows persons who violate flood control district statutes or rules to receive a nonmonetary penalty and changes the final decision review process.	<a href="#">Summary</a>	
2013	<a href="#">HB 2443</a>	cities; counties; regulatory review	Modifies provisions of the municipal, county and flood control district Regulatory Bill of Rights.	<a href="#">Summary</a>	
2012	<a href="#">HB 2350</a>	cities; counties; regulations	Requires a city, town or county to annually post on its website a capital improvement plan containing all public works projects scheduled to be constructed.	<a href="#">Summary</a>	
2012	<a href="#">HB 2658</a>	flood control authority; relinquishment; districts	Makes clarifying changes to statute concerning liabilities of flood control authority transfers by districts.	<a href="#">Summary</a>	

## Groundwater Management Code

A.R.S. Title 45, Chapter 2 established Arizona's Groundwater Code (Code) in an effort to curtail the use of mined groundwater and actively manage its use. In the past century, Arizona has relied heavily on the use of groundwater, pumping water out of the ground faster than can be replaced in the aquifer naturally or by replenishment activities. This is a condition called overdraft. When overdraft continues, the aquifer dries up and the land subsides. The Code designated five active management areas (AMA) and established groundwater management goals for the Phoenix, Pinal, Prescott, Santa Cruz and Tucson AMAs.

One aspect of the Code that addresses future water supply within AMAs is the Assured Water Supply Program, administered by ADWR, which impacts the development of lands within the state's AMAs. In order to develop land within AMAs, the developer is required to demonstrate to ADWR that there is a 100-year water supply available to meet water demands for the development or service area; the water provided meets water quality standards; the use of water is consistent with ADWR's conservation standards and with the AMA's water management goals; and the developer is financially capable of installing water distribution and storage or treatment facilities.

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2291</a>	groundwater; waterlogged area exemption; date	Extends exemptions from irrigation or intermediate water duties, water conservation requirements and groundwater withdrawal fees for three irrigation districts located in the Buckeye Waterlogged Area in the Phoenix Active Management Area.	<a href="#">Summary</a>	
2013	<a href="#">SB 1322</a>	assured water supply requirements; exemption	Extends the repeal date, from September 1, 2014, to September 1, 2024, for session law exempting certain subdivisions from the assured water supply requirement.	<a href="#">Summary</a>	
2012	<a href="#">SB 1417</a>	mining operations; long-term storage credits	Requires the director of ADWR to establish a separate subaccount for long-term storage credits earned under new mining permits issued after the bill's effective date, if the permittee earns long-term storage credits for storage of CAP water in an AMA in which the permittee has the right to withdraw groundwater, and the CAP water qualifies as water that cannot reasonably be used directly (Water BUD) due solely to the exclusion of groundwater withdrawn by the permittee for mining. Requires the director to debit the subaccount by the amount of groundwater pumped by the permittee in an AMA during a calendar year, not to exceed the amount of long-term storage credits in the subaccount. This applies only to the new mining permits issued after the bill's effective date and requires the permittee to be engaged in mining activities within an initial AMA on or before January 1, 2011. In addition, in order for a storer to earn 90 percent of the recoverable amount of water the storer must be also engaged in mining within an initial AMA on or before January 1, 2011. All exterior boundaries of the water storage facility must be more than 20 miles away from a non-exempt well owned by the storer on or before January 1, 2012.	<a href="#">Summary</a>	

## Highway User Revenue Fund

Arizona taxes motor fuels and collects fees relating to the registration and operation of motor vehicles. These taxes and fees include gasoline and use fuel taxes, motor carrier fees, motor vehicle registration fees, VLT's and other miscellaneous fees. Revenues are deposited in HURF and are then distributed to the cities, towns and counties and to the SHF. These taxes and fees are a major source of revenue for highway construction, improvements, and other transportation related expenditures.

States are responsible for approximately 75% of the total capital expenditures for highway and mass transit programs, with the remaining 25% derived from local and federal sources. The majority of state transportation funding comes from highway user revenues.

Pursuant to A.R.S. § 28-6538, \$1 million in HURF monies are transferred to the Economic Strength Project Fund and up to \$10 million are transferred to DPS for highway patrol expenditures. These statutory transfers, as well as any legislative appropriations from HURF, are completed prior to the distribution to local governments and the SHF. Pursuant to A.R.S. § 28-6538, the distribution of remaining HURF monies is as follows: SHF 50.5%, counties 19%, cities and towns 27.5%, cities over 300,000 persons 3%, counties with a population of over 400,000, and cities with a population of over 30,000 that are located within those counties are required to maintain a certain level of expenditures of local revenue for street and highway purposes.

With the state facing budget deficits over the past number of fiscal years, HURF monies have been diverted for other highway-related functions, such as funding for highway patrol and the ADOT Motor Vehicles Division.

Year	Bill No	Short Title	Description	Summary	Note
2016	<a href="#">SB 1398</a>	fuel taxes; streets and highways	Requires any county receiving HURF funds to publish an annual financial report for the prior fiscal year of funds received from motor vehicle fuel or use fuel taxes.	<a href="#">Summary</a>	
2016	<a href="#">SB 1490</a>	transportation funding; task force	Establishes the Surface Transportation Funding Task Force and requires the Task Force to recommend revenue proposals for dedicated funding for HURF that are sufficient to meet statewide needs.	<a href="#">Summary</a>	
2016	<a href="#">SB 1527</a>	appropriations; capital outlay; 2016-2017	Requires ADOT to report its estimated outstanding debt balance principle at the end of FY 2018 and the estimated debt service payment amount for FY 2018, which must include HURF estimates.	<a href="#">Summary</a>	
2016	<a href="#">HB 2535</a>	motor vehicle dealers; titles; licensing	Allocates \$100 of the motor vehicle dealer fee and \$100 of the dealer license continuation fee to HURF.	<a href="#">Summary</a>	
2016	<a href="#">HB 2701</a>	criminal justice; budget reconciliation; 2016-2017	Continues to suspend the statutory cap of \$10 million for transfers of HURF monies to fund the ADPS highway patrol costs in FY 2017.	<a href="#">Summary</a>	
2015	<a href="#">SB 1471</a>	revenue; budget reconciliation; 2015-2016	Reduces the FY 2017 transfer of Highway Patrol costs from HURF to the state General Fund from \$60 million to \$30 million.	<a href="#">Summary</a>	
2015	<a href="#">SB 1478</a>	criminal justice; budget reconciliation; 2015-2016	Continues to suspend the statutory caps and transfers of the Arizona HURF monies available to fund ADPS highway patrol costs in FY 2016.	<a href="#">Summary</a>	
2014	<a href="#">SB 1487</a>	revenue; budget reconciliation; 2014-2015	Requires, prior to HURF distribution, ADOT to allocate and the state treasurer to distribute \$30 million in FY 2014-15, \$30 million in FY 2015-16, and \$60 million in FY 2016-2017, used only to cover the direct costs of construction and maintenance of roads and bridges, as follows: 33.231% to counties, 48.097% to cities and towns, 5.247% to cities and towns with a population of 300,000 or more persons, and 13.425% to counties with a population above 800,000 persons.	<a href="#">Summary</a>	

2014	<a href="#">HB 2706</a>	criminal justice; budget reconciliation; 2014-2015	Continues the suspension of statutory caps and transfers of HURF monies available to fund ADPS highway patrol costs in FY 2015.	<a href="#">Summary</a>	
2013, 1 <sup>st</sup> Special Session	<a href="#">HB 2005</a>	2013-2014; criminal justice; budget reconciliation	Suspends the statutory caps and transfers of HURF and State Highway Fund monies for FY 2013-14.	<a href="#">Summary</a>	
2012	<a href="#">SB 1531</a>	criminal justice; budget reconciliation; 2012-2013	Suspends the schedule established by statute governing the level of Highway User Revenue Fund HURF monies available to fund ADPS's highway patrol costs.	<a href="#">Summary</a>	



## Income Tax

The Arizona state income tax is levied on a resident's personal income and is prorated for part-time Arizona residents. For the purpose of determining residency, an individual that lives in the state for 9 months or that has a permanent home is considered a resident. The income tax rate is dependent upon an individual's income and is between 2.59% and 4.54%. In FY 2015, income tax accounted for \$3,760,878,097 or 39.4% of the GF.

State income tax rates differ based on whether an individual is married or single, as shown in the table below. Tax deductions and credits are available to reduce either the taxpayer's taxable income or the taxpayer's overall tax liability. A deduction is a subtraction from the total amount of annual income that will be taxed. A tax credit is a dollar-for-dollar reduction of a taxpayer's individual income tax liability.

Single AZ Tax Rate		Married AZ Tax Rate	
\$0-\$10,000	(2.59%)	\$0-\$20,000	(2.59%)
\$10,001-\$25,000	(\$263 + 2.88%)	\$20,001-\$50,000	(\$526 + 2.88%)
\$25,001-\$50,000	(\$702 + 3.36%)	\$50,001-\$100,000	(\$1,404 + 3.36%)
\$50,001-\$150,000	(1,556+4.24%)	\$100,001-\$300,00	(\$3,112 + 4.24%)
\$150,001 and over	(\$5,865 + 4.54%)	\$300,001 and over	(\$11,729 + 4.54%)

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2388</a>	qualified disability expenses; eligible individuals	In part, makes additions and deductions from Arizona gross income relating to qualified disability expenses distributed to and from an Achieving a Better Life Act (ABLE) program account.	<a href="#">Summary</a>	
2016	<a href="#">HB 2697</a>	bonus depreciation; budget reconciliation; 2016-2017.	Increases the amount a taxpayer may deduct from Arizona gross income for bonus depreciation.	<a href="#">Summary</a>	
2016	<a href="#">SB 1137</a>	schools; CPR instruction.	Allows contributions to support CPR training programs to qualify for the Public School Tax Credit.	<a href="#">Summary</a>	
2016	<a href="#">SB 1216</a>	charitable donations; tax credit amounts	Increases the amount a taxpayer may claim as a tax credit for contributions made to a charitable organization. Allows a taxpayer to claim separate tax credits for contributions made to a charitable organization and a foster care charitable organization.	<a href="#">Summary</a>	
2016	<a href="#">SB 1217</a>	charitable tax credit; contribution date	Allows a tax credit for contributions made to a charitable organization to be applied to the current or preceding taxable year, if made on or before April 15 <sup>th</sup> .	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2015	<a href="#">HB 2001</a>	income tax brackets; inflation index	Requires ADOR to adjust the income dollar amounts for each tax bracket in accordance with the annual change in the Metropolitan Phoenix CPI.	<a href="#">Summary</a>	
2014	<a href="#">HB 2377</a>	income tax credits; inflation index	Requires ADOR for TY 15 to adjust the income dollar amounts for each individual income tax rate bracket by the average annual change in the Metropolitan Phoenix Consumer Price Index.	<a href="#">Summary</a>	
2014	<a href="#">SB 1048</a>	tax credits; STOs; preapproval; entities	Allows an S corporation shareholder to claim an income tax credit in an amount equal to the pro rata amount contributed by the S corporation to a school tuition organization.	<a href="#">Summary</a>	<a href="#">Veto Letter</a>

2014	<a href="#">SB 1326</a>	state parks; donations; fund; transportation	Requires ADOR to provide a check off box on the individual income tax return form in which a taxpayer may designate an amount of the taxpayer's refund as a voluntary contribution to the newly established Sustainable State Parks and Roads Fund.	<a href="#">Summary</a>	
2014	<a href="#">SB 1484</a>	tax credit; manufactures; renewable energy	Establishes an individual and corporate income tax credit for taxpayers who investment at least \$300 million in a three-year period in new "renewable energy facilities" in Arizona.	<a href="#">Summary</a>	<a href="#">Fiscal note</a>
2013	<a href="#">HB 2531</a>	income tax; instant depreciation	Eliminates the requirement for taxpayers to include amounts greater than \$25,000 for property for which an expense deduction was taken pursuant to Section 179 of the IRC as part of Arizona adjusted gross income.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2013	<a href="#">HB 2617</a>	school tuition organizations; tax credit; pro rata	Allows a tax credit for a small business corporation that makes a contribution to an STO and outlines requirements associated with the credit.	<a href="#">Summary</a>	<a href="#">Veto Letter</a>
2013	<a href="#">SB 1179</a>	ignition interlock devices; TPT exemption	Increases the eligible amount that can be deducted from gross income for contributions to college savings plans pursuant to IRC § 529 from \$750 to \$2,000 for a single individual or head of household and from \$1,500 to \$4,000 for married couples filing jointly.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2012	<a href="#">HB 2212</a>	tax exempt organizations; returns; exception	Increases, from \$25,000 to \$50,000, the maximum income amount a tax exempt organization may have before being required to file an Arizona income tax return.	<a href="#">Summary</a>	
2012	<a href="#">HB 2332</a>	healthy forest enterprise incentives; extension	Extends the TPT, use and income tax incentives for qualified healthy forest enterprises in the state through December 31, 2024.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2012	<a href="#">HB 2713</a>	long-term care insurance premiums; deduction	Establishes, TY 13 and beyond, an individual income tax subtraction for long-term care insurance premiums paid by taxpayers not claiming itemized deductions. Establishes an individual income tax subtraction for amounts deposited into a long-term care savings account, as long as the amounts are included in the individual's federal adjusted gross income.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2012	<a href="#">HB 2727</a>	public school tax refund checkoff	Modifies the Assistance for Education Fund tax refund checkoff box to allow individual taxpayers to contribute any portion of their refund.	<a href="#">Summary</a>	
2012	<a href="#">HB 2779</a>	clean elections; trigger reports; repeal	Eliminates voluntary tax donation check off for Clean Elections from the Arizona individual income tax form and eliminates tax credits and tax reductions for contributions to Clean Elections.	<a href="#">Summary</a>	
2012	<a href="#">HB 2815</a>	employment; incentives; regulatory tax credit	Adds new, refundable corporate and individual income tax credits for taxpayers that open a qualified facility in Arizona.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2012	<a href="#">SB 1045</a>	tax correction act; 2012	Modifies the individual and corporate income tax credits for increased research activities.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2012	<a href="#">SB 1047</a>	school tuition organizations; credits; administration	Establishes an additional individual income tax credit for contributions to certified school tuition organizations.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>

2012	<a href="#">SB 1121</a>	tax subtraction; charitable crop contributions	Expands the individual taxable income subtraction on qualifying donated crops by removing the cap of 80% of the crop value and allowing crops to be donated out-of-state.	<a href="#">summary</a>	
2012	<a href="#">SB 1122</a>	tax refund checkoff boxes	Removes the requirement that space for certain voluntary tax donations be provided on the front page of the Arizona income tax return. The checkoff boxes that affected are for the Child Abuse Prevention Fund, Special Olympics, Arizona Game and Fish Department, Neighbors Helping Neighbors and the Domestic Violence Shelter Fund.	<a href="#">Summary</a>	
2012	<a href="#">SB 1190</a>	tax credit; military family relief	Extends the individual income tax credit for donations made to the Military Family Relief Fund through TY 18.	<a href="#">Summary</a>	
2012	<a href="#">SB 1196</a>	college savings; report; income subtraction	Makes the individual income tax subtraction for contributions to a qualified college savings plan permanent and extends the deadline of the Arizona Commission for Postsecondary Education annual report from February 1 to March 1.	<a href="#">Summary</a>	
2012	<a href="#">SB 1214</a>	use tax declaration; repeal	Repeals the use tax declaration requirement on the Arizona individual income tax return.	<a href="#">Summary</a>	

## Incorporation

The process for municipal incorporation is outlined in [A.R.S., Title 9, Chapter 1](#). Generally, incorporation allows local units to become recognized as a city or town and offer public services to its citizenry. In order to lawfully incorporate, the area must meet the statutory definition of *community* as well as have a population of at least 1,500 people. There are statutory exceptions to the population threshold including allowing a community with 500 people or more to incorporate if the community is within ten miles of the boundary of a national park or monument. The incorporation of a community is an action that must be taken by the citizens residing in the community itself. There are two basic methods that the community can use to demonstrate to the BOS that incorporation is desired: petition without election and petition with election.

If 2/3 of the qualified electors within a qualified community sign a petition and file it with the county clerk of the BOS, the BOS may declare the area incorporated so long as it meets lawful requirements. The second method requires 10% of the qualified electors residing within the area to petition the BOS to call an election on the question of incorporation. If the BOS is satisfied, an election is held within 180 days of filing the petition. If a majority of those qualified electors residing in the community vote to have the area incorporated, the BOS must determine it incorporated. If the community fails to pass the measure to incorporate, another election cannot be held for one year.

Statute provides additional requirements for communities located in urbanized areas surrounding existing cities and towns. Specifically, [A.R.S. 9-101.01](#) prohibits a territory from being incorporated, unless certain conditions are met, if it is located within:

1. Six miles of an incorporated city or town having a population of more than 5,000; or within
2. Three miles of an incorporated city or town having a population of less than 5,000.

However, if the city or town causing the urbanized area to exist adopts a resolution approving the proposed annexation or an affidavit is filed with the BOS, incorporation of an urbanized area may occur (In 2011, SB 1333 created an exemption to this for certain areas through December 31, 2020).

There are currently 91 incorporated cities and towns in Arizona. The most recent town to incorporate was Tusayan in 2010. It is located within Coconino County and has a population of approximately 558 (2010 US Census).

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2146</a>	municipalities; property sale threshold; election	Repeals A.R.S., Title 9, Chapter 2, Article 2, which outlines the processes and requirements for a county BOS to disincorporation a city or town in that county. Requires the petition for disincorporation to contain a half or more signatures of property taxpayers who are residents of that county to present it to the board, and an election to be held. Permits the BOS to establish a new government and incorporate under an elected board of trustees.	<a href="#">Summary</a>	

Industrial Commission of Arizona				
Year	Acronym	Agency / Membership	Description	Membership Terms
1925	ICA	<b>Industrial Commission of Arizona (ICA)</b> <a href="#">(A.R.S. 23-101 et al)</a>  <u>ICA Commissioners:</u> Dale Schultz, Chairman Clint Bolick Joseph M. Hennelly, Jr. Scott LeMarr Robin Orchard	The ICA processes workers' compensation (WC) claims involving workers injured on the job, through no-fault of their own; and, provides insurance coverage for employers through the State Compensation Fund (SCF)  Self-insured employers (mining / railroads)  Private insurance companies (1969)  Special Fund serves as the safety net for the WC system (1969)  Administers vocational rehabilitation benefits and WC benefits to injured workers of <i>uninsured</i> and <i>bankrupt self-insured</i> employers.	Umbrella Agency  5-Members 5-year terms  <u>Commissioners</u> Governor appoints Senate confirms  <u>ICA Director</u> Commission appoints Senate confirms
1925 until 2014	SCF	<b>State Compensation Fund (SCF Arizona)</b>  <b>CopperPoint Mutual Insurance Company</b>	SCF is part of the ICA initially (1925)  <i>SCF Arizona</i> – split from the ICA as stand-alone agency to insure much of Arizona's workforce (1969)  Enforces collection of monies owed to the ICA <i>Special Fund</i> from insolvent insurance carriers and bankrupt employers. Shifts responsibility from SCF to the ICA. (2005)  <i>SCF Arizona</i> became: <i>CopperPoint Mutual Insurance Company</i> , a private company. (2014)  Funding: Annual assessment on all WC premiums that employers pay	Part of ICA (1925)  Stand-alone agency (1969)  Private Company (2014)
1974 1985	ADOSH	<b>Arizona Division of Occupational Health &amp; Safety (ADOSH)</b> <a href="#">(A.R.S. 23-401 et al)</a>	Enforces federal / state OSHA standards to make workplaces safe and healthy  Funded in part by three federal grants  Requires program to be “ <i>at least as effective as federal program</i> ”  Performs elevator and boiler safety inspections	Division of ICA
1972		<b>OSHA Advisory Committee</b>  <u>Committee Members</u> Abel Almanza Ken Bourdo William Bracken Russell Crossan Stacia Johannsson Paul McKee Margaret Penado Diane Robinson Robyn Steiner	Designates no statutory number, but requires members to represent these industries: Agriculture; Labor; Management; Public  Assists the ICA in drafting health/safety standards and regulations  Recommends OSHA Review Board members	Part of ICA

1977		<b>Boiler Advisory Board</b> <a href="#">A.R.S. 23-474</a>  <u>Board Members</u> Frederick Anderson Brad Bruckner Raymond Choi Russell Crossan Gilbert Q. Davidson R. Edward Emerson Jacob Evenson Ivan Insua Mike Marshall T. Dean McCook Terry Melot Don Snyder	Assists the ICA in drafting standards and regulations relating to boilers and lined water heaters, and pressure vessels  Based on equipment safety, not employee exposure  ADOSH and “ <i>special inspectors</i> ” authorized by law (usually employed by mines, utilities and insurance companies) conduct inspections.	Part of ADOSH (no federal funding)
1978		<b>Elevator Advisory Committee</b> <a href="#">A.R.S. 23-491.04</a>  <u>Committee Members</u> Jim Anicich Paul Cassano Randy Cote Brad Flanigan Mark Gustafson Rudy Mezosi Randy Storr	Assists in drafting standards and regulations and advises ADOSH on elevator safety (no jurisdiction over amusement/carnival rides)  Based on equipment safety, not worker exposure  Requires <i>annual</i> inspections, but the program receives no federal grant funding	Part of ADOSH (no federal funding)
		<b>OSHA Review Board</b> <i>(independent review board)</i>  <u>Review Board Members</u> Ken Bourdo Stephen Healey Gary Lasham Richard Murphy Seth Turken	Hears and decides administrative appeals of ADOSH orders of ALJ decisions  Entitles an employer to request an ALJ to hear the case, following a citation. Permits the employer to request review before the OSHA Review Board if the employer is dissatisfied with the ALJ’s decision	5-members 5-year terms  Appointed by Governor
		<b>State Labor Department</b> <a href="#">(Title 23, Chapter 2)</a>	Licenses and regulates private employment agencies that charge a fee to the worker  Enforces youth employment and wage laws (also minimum wage laws)	Part of ICA  Accepts advisements of the Employment Advisory Council
1970		<b>Employment Advisory Council</b> <a href="#">(A.R.S. 23-522.01)</a>  Gerald Banky Linda Baugh Dani Green Patricia Grumm Martha Rockwell Mark Staudohar Madalynn Terzenbach	Regulates private employment agencies: career counseling firms; model/talent agencies; placement agencies; nanny/sitter services  Advises/makes recommendations on whether to approve/deny each license	Advises Labor Department

## Industrial Development Authority

A.R.S., Title 35, Chapter 5 authorizes municipalities and counties to cause the formation of an IDA. IDAs issue revenue bonds and use the proceeds from the sale of the bonds to finance certain types of projects. A.R.S. § 35-701 enumerates qualified projects:

- 1) Any enterprise for the manufacturing, processing or assembling of any agricultural or manufactured products.
- 2) Any commercial enterprise for the storing, warehousing, distributing or selling of products of agriculture, mining or industry or of processes related thereto, including research and development.
- 3) A health care institution as defined in A.R.S. § 36-401.
- 4) Residential real property for dwelling units located within the municipality or county approving the formation of the corporation and, in the case of a county, whether or not also within a municipality that is within the county.
- 5) Repairing or rehabilitating single family dwelling units or constructing or repairing residential fences and walls.
- 6) Convention or trade show facilities.
- 7) Airports, docks, wharves, mass commuting facilities, parking facilities or storage or training facilities directly related to any of the facilities as provided in this item.
- 8) Sewage or solid waste disposal facilities or facilities for the furnishing of electric energy, gas or water.
- 9) Industrial park facilities.
- 10) Air or water pollution control facilities.
- 11) Any educational institution that is operated by a nonprofit educational organization that is exempt from taxation under section 32 501(c)(3) of the United States internal revenue code and that is not otherwise funded by state monies, any educational institution or organization that is established under title 15, chapter 1, article 8 and that is owned by a nonprofit organization, any private nonsectarian school or any private nonsectarian organization established for the purpose of funding a joint technical education school district.
- 12) Research and development facilities.
- 13) Any commercial enterprises, including facilities for manufacturing, office, recreational, hotel, motel and service uses.
- 14) A child welfare agency, as defined in section § 8-501, owned and operated by a nonprofit organization.
- 15) A transportation facility constructed or operated pursuant to Title 28, Chapter 22.
- 16) A museum operated by a nonprofit organization.
- 17) Facilities owned or operated by a nonprofit organization described in section 501(c) of the United States internal revenue code of 1986.
- 18) New or existing correctional facilities within this state.

Prior to issuance of a bond, statute requires the governing body of an IDA to approve the proceedings under which the bonds are to be issued. Additionally, an IDA is required to notify the attorney general of the intention to issue a bond. The attorney general has 10 days to deny the issuance of the bond after which the IDA may issue the bond.

IDAs typically issue private activity bonds which are favorable to private investors. These types of bonds result in reduced financing costs because they are exempt from federal and state income tax on the interest earned.

Year	Bill No	Short title	Description	Summary	Note
2015	<a href="#">HB 2323</a>	industrial development authority; projects	Removes a qualifying project and modified item 13 [Above]. Additionally, requires the IDA to notify its governing body of any lawsuits or U.S. Securities and Exchange Commission investigations filed against the IDA.	<a href="#">Summary</a>	



## Inmate Services

### Inmate Services

#### Medical Services

The Director of ADC is required to provide medical and health services to inmates. The ADC Director may contract for professional services to carry out this responsibility. Additionally, the Director is permitted, in conjunction with the Department of Health Services, to provide inmates with psychiatric services and treatment ([A.R.S. § 31-201.01](#)). Each ADC inmate is charged a fee for medical and health services with certain statutory exceptions. Each fee amount is established in rule by the ADC Director.

#### Transition Programs

ADC is required to administer a 90-day Transition Program (Program) to provide eligible inmates with transition services after early release. Inmates must meet minimum qualifications to be eligible for the program. Before an eligible inmate can enter the program, each victim must be notified about the inmate's release and afforded an opportunity to address the inmate's release. ADC is required to conduct and submit an annual report that looks at the recidivism rates of all inmates who participate in the program ([A.R.S. § 31-281](#)). Additionally, statute establishes the Transition Program Fund, which is to be used to defray costs associated with the Program. Finally, contained within statute is the State Department of Corrections Revolving Fund (Fund). The Fund is comprised of a percentage of taxes collected on spirituous, vinous and malt liquors. Fund monies are required to be used for: drug treatment for inmates on parole or community supervision; offender participation in drug programs; and reentry, education or mental health programs that are administered by ADC or an agency, individual or organization licensed by ADHS or the Board of Behavioral Health Examiners ([A.R.S. § 42-3106](#)).

Year	Bill No.	Short title	Description	Summary	Note
2016	<a href="#">HB 2701</a>	criminal justice; budget reconciliation; 2016-2017.	Requires the Prisoner Transition Program to provide eligible inmates with transition services in the community for up to 90 days and modifies eligibility requirements.	<a href="#">Summary</a>	
2016	<a href="#">SB 1246</a>	corrections department; revolving fund uses	Modifies criteria for drug treatment programs funded by ADC Separate Revolving Fund and expands the use of Fund monies to include reentry, education or mental health assistance programs. Appropriates \$596,000 from the Transition Program Fund in Fiscal Year 2017 to ADC for the expansion of the Transition Program.	<a href="#">Summary</a>	
2016	<a href="#">SB 1247</a>	prisoners; community reentry; work program	Allows ADC to establish a community reentry work program for prisoners who meet certain eligibility requirements.	<a href="#">Summary</a>	
2015	<a href="#">SB 1469</a>	general appropriations; 2015-2016	Required ADC to submit an expenditure plan to JLBC prior to making changes in per diem rates for inmate health care contracted services	<a href="#">Summary</a>	
2015	<a href="#">SB 1478</a>	criminal justice; budget reconciliation; 2015-2016	Requires the director of ADC, on or before July 1 of each year, to notify the directors of the Joint Legislative Budget Committee and the Governor's Office of Strategic Planning and Budgeting of the amount of credits against payments for the previous fiscal year	<a href="#">Summary</a>	
2015	<a href="#">HB 2105</a>	Inmate medical services; rate structure	Required all counties, instead of only Maricopa County, to reimburse for county jail inmate medical services at an amount not to exceed AHCCCS rates	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>

## Insurance Premium Tax

Pursuant to [A.R.S. § 20-224](#), insurers are required to file a report with the director of DOI showing total direct premium income including policy membership and other applicable fees. Additionally, insurers must remit a tax on the net premiums at the following rates:

1. Fire Insurance
  - a. On property located in an incorporated city or town certified by the State Fire Marshal for obtaining the service of a private fire company, the rate is .66%.
  - b. On all other property, the rate is 2.2%.
2. Disability 2%.
3. Health care service plans
  - a. As prescribed by statute, the rate is 2%.
4. All other insurance:
  - a. 1.95% for Calendar Year (CY) 2016,
  - b. 1.90% for CY 2017,
  - c. 1.85% for CY 2018,
  - d. 1.80% for CY 2019,
  - e. 1.75% for CY 2020,
  - f. 1.70% for CY 2021 and each subsequent CY thereafter.

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2002</a>	insurance premium tax reduction	Modifies the tax rate reductions established by HB 2568 (2015). Clarifies what constitutes fire insurance.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2015	<a href="#">HB 2568</a>	insurance premium tax reduction	Establishes tax rate reductions and sets the premium tax rate for disability insurance at 2%.	<a href="#">Summary</a>	

## Joint Technical Education Districts

JTEDs permit school districts to collaborate to offer CTE courses to students located within the JTED. JTEDs are governed by a separate governing board, but are geographically the same area as the participating school districts. Currently 13 JTEDs exist in the state, with a new JTED scheduled to begin operations in Yuma County in FY 2016. Courses are offered at either a centralized campus or as a satellite course in a district school (as of 2015 satellite courses may be offered in charter schools). Any student who resides within the district may attend the JTED, but ADM is only generated by students in grades 10-12 who are under 21 years of age. Students enrolled in a district and satellite JTED courses may generate 1.25 ADM and students enrolled in a district and a centralized JTED campus may generate up to 1.75 ADM. Additionally, JTEDs have statutory authority to issue bonds and to levy \$0.05 per \$100 of assessed valuation within the district. Information regarding JTED funding, including changes made in the 2015 Legislative Session may be found [here](#).

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2707</a>	K-12 education; budget reconciliation; 2016-2017	Permits JTED students who are less than 21 years old, including high school graduates, to continue to participate in JTED programs until the student graduates or the end of FY 2017, whichever is first. Modifies annual JTED reporting requirements.	<a href="#">Summary</a>	
2016	<a href="#">SB 1525</a>	JTED restoration and reforms	Removes the JTED funding reduction to 92.5%. Modifies requirements for courses and programs to qualify as a JTED course or program. Establishes new annual JTED reporting requirements and modifies the administration of JTEDs. Establishes the CTE Task Force to study and analyze JTED course offerings and requires an OAG special JTED audit.	<a href="#">Summary</a>	
2015	<a href="#">SB 1476</a>	K-12 education; budget reconciliation; 2015-2016	Reduces funding for JTED satellite programs to 92.5% for satellite JTED's and the district or charter the student is enrolled in beginning in FY 2017. Funds JTEDs over 2,000 students at 95.5%.	<a href="#">Summary</a>	
2015	<a href="#">HB 2478</a>	JTEDs; satellite courses; charter schools	Allows JTEDs to contract with charter schools located within the JTED to provide satellite campus courses.	<a href="#">Summary</a>	
2014	<a href="#">SB 1350</a>	ADE school finance revisions	Specifies that JTEDs are available to students whose district of residence is within the state.	<a href="#">Summary</a>	
2013, 1 <sup>st</sup> Special Session	<a href="#">HB 2003</a>	2013-2014; K-12 education; budget reconciliation	Funds JTEDs at 91% for FY 2014.	<a href="#">Summary</a>	
2013	<a href="#">HB 2499</a>	JTEDs; per pupil funding calculation	Requires ADM to be capped at 0.75 in grades 10-12 for students enrolled in a 2.5 hour long course at a centralized campus. Establishes a cap of 1.75 ADM for students enrolled in member districts and a centralized JTED campus. Allows students enrolled in a satellite campus to generate 1.25 ADM. Reorganizes the JTED statute.	<a href="#">Summary</a>	
2013	<a href="#">SB 1447</a>	ADE; school finance revisions	Increases the ADM a student enrolled in a charter school and a JTED centralized campus generates to 1.75.	<a href="#">Summary</a>	
2012	<a href="#">SB 1529</a>	K-12 education; budget reconciliation; 2012-2013	Funds JTEDs at 91% for FY 2013. Allows JTEDs to fund 8 <sup>th</sup> grade students with monies generated by the five cent property tax.	<a href="#">Summary</a>	

## Microbrewery Licensees

DLLC regulates and licenses liquor *producers, wholesalers and retailers* through Arizona's 3-tier system. There are currently 19 different licenses issued according to a series number, with specific privileges by license type, including whether liquor is for consumption on the licensed premises (*on-sale*), off the licensed premises (*off-sale*) or both. The agency investigates complaints, prosecutes violations, and issues citations for infractions of statutes or administrative rules, while working closely with neighborhood associations and civic groups. This general fund appropriated agency also receives some federal dollars and has multiple surcharges and the associated funds for enforcement.

### **Microbrewery (Series 3)**

An in-state *Microbrewery* may annually produce a maximum 6,200,000 gallons for all microbreweries under common ownership, with the stipulation that any microbrewery producing more than 1,240,000 gallons may not apply for retail licenses for remote locations or distribute beer directly to retail licensees; may sell beer produced or manufactured by other microbreweries for consumption only on the premises of the licensee, with some restrictions. A Microbrewery may be issued a combined total of seven retail licenses in Arizona if those licenses are issued only as bar, beer and wine bar or restaurant licenses. ([A.R.S. § 4-205.08](#))

Year	Bill No	Short title	Description	Summary	Note
2015	<a href="#">HB 2362</a>	department of liquor licenses; continuation	Continues DLLC for eight years, until July 1, 2023.	<a href="#">Summary</a>	
2015	<a href="#">SB 1030</a>	microbreweries; multiple licenses; production; sales	Increases the allowable annual production limits for a Microbrewery from 1,240,000 gallons of beer per location to 6,200,000 gallons. Permits a licensed Microbrewery to sell beer produced by another Microbrewery for consumption on-premises, but limits sales to 20% of the licensee's annual beer sales. Allows a Microbrewery with retail operations to hold a combined total of seven retail licenses as follows: Bar ( <i>Series 06</i> ), Beer and Wine Bar ( <i>Series 07</i> ), or Restaurant license ( <i>Series 12</i> ). Prohibits a Microbrewery that annually produces more than 1,240,000 gallons of beer to receive any retail license for a remote location or sell beer to retail locations except those on or adjacent to the Microbrewery. Grandfathers current Microbreweries and contains a <i>severability clause</i> .	<a href="#">Summary</a>	
2014	<a href="#">SB 1397</a>	liquor omnibus	Requires a licensee to surrender its Microbrewery license and obtain a Producer's license if it exceeds the permissible annual production amounts.  <i>Special Event License</i> Exempts certain licensees from the approval process by the governing body of the city/county. States the licensee must receive at least 25% of the gross revenues of liquor sold at the event.  <i>Grounds for License Suspension or Revocation</i> Includes in the list for license suspension or revocation, a <i>serious act of violence</i> that occurs on the licensed premises and defines the term.  <i>Fees and Penalties</i> Assigns license fees based on the number of gallons produced rather than cases of product. Establishes off-premises consumption limits as follows: 72 oz. beer; 2 oz. distilled spirits per person per day.  <i>Miscellaneous</i>	<a href="#">Summary</a>	

			Removes the word <i>Domestic</i> from the term <i>Domestic Microbrewery</i> . Requires record-keeping by common carriers that ship spirituous liquor in-state (except railroads). Permits a brewer to exhibit beer at competitions such as home brewers' contests and tastings. Limits identification to unexpired documents, with a photograph and birth date. Modifies the acceptable forms of refillable containers. Restricts patrons from consuming vaporized liquor.		
2013	<a href="#">SB 1301</a>	wineries; microbreweries; licenses	Authorizes a <i>Domestic Microbrewery</i> and <i>Domestic Farm Winery</i> license on the same parcel of land. Requires the businesses to be in different buildings and licensed separately, but permits a shared tasting room.	<a href="#">Summary</a>	
2012	<a href="#">HB 2606</a>	liquor omnibus	Increases the permissible amount of beer served by an on-sale retailer from 32 to 40 ounces. Permits an undercover peace officer on assignment to consume small amounts of liquor while possessing a firearm. Allows a <i>Domestic Microbrewery</i> to dispense beer in refillable containers as outlined. Authorizes a license renewal every two years, rather than annually.	<a href="#">Summary</a>	

## Off-Highway Vehicles

An Off-highway vehicle is defined in statute as a motorized vehicle operated primarily off of highways on land, water, snow, ice or other natural terrain. This includes two-wheel, three-wheel or four-wheel vehicles, motorcycles, four-wheel drive vehicles, dune buggies, amphibious vehicles, ground effects or air cushion vehicles and any other means of land transportation deriving motive power from a source other than muscle or wind. Excluded from this definition are vehicles that are designed primarily for travel on, over or in the water or used in activities involving facilities for the provision of utility or railroad service or used in the exploration or mining of minerals or aggregates.

Off-highway vehicle owners are required to pay for and obtain a decal from ADOT to operate a vehicle on public and state trust lands. Of the total amount of fees collected, 30% is deposited into the HURF and 70% is used by State Parks (30%), AZGFD (35%) and the State Land Department (5%) for the administration of the statewide off-highway vehicle program.

Year	Bill No	Short title	Description	Summary	Note
2015	<a href="#">HB 2365</a>	off-highway vehicles; enforcement	Allows state, county, and municipal peace officers and duly authorized state employees to enforce rules and regulations relating to off-highway vehicle use on closed federal lands. Expands the definition of recreational user to specify that payment by a state agency to a land owner, easement holder, or lessee for public recreational access to their lands does not constitute payment of an admission fee or other consideration.	<a href="#">Summary</a>	
2013	<a href="#">HB 2551</a>	off-highway vehicles; use; authority; enforcement	Changed a “shall” to a “may” to permit the enforcement of wildlife habitat protection, as opposed to requiring it. The bill also requires off-highway vehicle regulations to be enforced on land that is either solely under the jurisdiction of this state or subdivision thereof, or open as indicated by federal law.	<a href="#">Summary</a>	
2012	<a href="#">HB 2798</a>	air quality; dust plan; reports	Establishes regulations for cities, towns, counties, and departments to submit annual reports regarding particulate measures. Requires the appropriate departments or agencies responsible for enforcing restrictions on off-highway vehicles, all-terrain vehicles and off-road recreational motor vehicles during high pollution advisory days to submit an annual report annually by March 30 regarding those activities to the Department of Environmental Quality.	<a href="#">Summary</a>	

## Peace Officer Rights

A.R.S. Title 38, Chapter 8, Article 1, often referred to as the *Peace Officers Bill of Rights* outlines due process entitled to law enforcement officers who are subject to disciplinary actions by employers. Law enforcement officers include most AZPOST-certified individuals, state and local corrections officers, deputy sheriffs and municipal police officers pursuant to statute.

Law Enforcement Merit System Council hears and reviews appeals of disciplinary actions taken against ADPS and AZPOST employees and certain peace officers employed under the State Personnel System. This process is outlined under A.R.S. Title 41, Chapter 12, Article 10.

### ***Investigations***

A 2014 law reorganized statutes governing due process for peace officers by establishing “The Peace Officers Bill of Rights” specific to law enforcement officers and created a separate article under A.R.S. Title 38, Chapter 8 specific to probation and juvenile detention officers, who as of 2015 are typically entitled to the same rights as law enforcement officers, with some exceptions.

Current law stipulates that law enforcement officers may not be subject to disciplinary action without just cause. This standard was established in 2010. *Disciplinary action* is currently defined as the dismissal, demotion or suspension of a law enforcement officer that is authorized by statute, charter or ordinance and that is subject to hearing or other procedure by a local merit board, a civil service board, an administrative law judge, or a hearing officer.

An interview between an officer and his or her employer that pertains to an investigation that the employer or, as of 2010, officer believes may result in disciplinary action must be conducted pursuant to statutory guidelines. An officer is currently provided five minutes to consult with his or her representative after an interview concludes.

An employer may require an officer to submit to a polygraph examination to clarify any statement made by the officer that is contrary to other information available relating to an investigation. Employers are prohibited from taking disciplinary action against an officer based on the results of the polygraph examination unless other information or evidence exists to warrant the disciplinary action. Results of a polygraph examination are exempt from public records disclosure.

An officer who is interviewed by an employer as a witness to an incident relating to an investigation is permitted to request that a non-attorney representative from the same employer or the officer’s union be present at the interview to act as an observer. The officer is required to answer all employer inquiries during the interview and any information shared or discussed in the interview is confidential until the officer is otherwise notified; however, the officer may discuss details of the interview with his or her representative or the representative’s legal counsel.

If an employer seeks disciplinary action against an officer after an interview concludes, the officer may request a basic summary of disciplinary action issued against another officer of similar rank and experience within the previous two years for the same or a similar offense. The employer may provide file copies of relevant cases as an alternative and is prohibited from issuing any disciplinary action until the officer receives this information. An employer is required to complete an investigation within 180 calendar days of an incident.

### ***Appeals***

#### ***Administrative***

An officer may appeal disciplinary action imposed by an employer and appeal hearings are conducted by an administrative law judge, a hearing officer or another appeals board or council. Both parties are required to exchange information that will be presented at the hearing within the following timeframes:

1. 14 calendar days from receiving written request from the officer, which must include a copy of the appeals notice; the complete investigative file maintained by the employer and the names of and contact information



for all individuals interviewed during the course of the investigation.

2. 14 calendar days before the hearing: the name of each witness expected to testify at the hearing and the subject of the testimony; the names of and contact information for individuals who provided statements relating to the investigation; and any previously undisclosed documents. An employer is required to provide an officer with a copy of a transcript from a hearing if required.

If a single administrative law judge or hearing officer is assigned to conduct a hearing, an employer or officer is permitted to request a change. A county or municipality with a population of less than 250,000 or 65,000, respectively, is required to arrange for an alternative hearing officer via an IGA with another county or municipality. An officer who makes this request must reimburse the county or municipality for half of the additional procurement costs. The new hearing officer is required to provide the employer or officer with the option to continue the hearing for an additional ten calendar days.

### ***Superior Court***

An officer is permitted to appeal an employer's final decision to reverse an administrative law judge, hearing officer, or other appeals board or council's decision to reverse the officer's termination or demotion in the superior court if the administrative law judge, hearing officer or other appeals board or council determined that there was no just cause in disciplining the officer. An officer may also petition for the superior court to review a termination or demotion for which there was no appeals process or hearing. An administrative law judge, hearing officer or other appeals board or council is required to determine the amount of any retroactive compensation entitled to an officer whose termination or demotion is overturned by the superior court.

The information below provides a review of legislation enacted from 2012 to 2016 pertaining to due process for disciplinary actions taken against law enforcement officers. *This information excludes legislation pertaining to retirement, insurance or other related benefits; firearms; public records requests for identifying information; or modifications to due process laws for probation and juvenile detention officers.*

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">SB 1521</a>	officers; employees; payroll deductions; appeals	Requires, rather than permits, a law enforcement officer who prevails in an appeal where termination has been reversed to be awarded retroactive compensation from the date of the officer's separation to the date of reinstatement. Permits retroactive compensation to be reduced if the hearing officer, judge or appeals board finds that the officer's action or misconduct warrants suspension or demotion.	<a href="#">Summary</a>	
2015	<a href="#">HB 2377</a>	law enforcement merit system; determinations	Requires disciplinary actions taken against ADPS or AZPOST employees or peace officers employed by certain state agencies to be based on just cause.	<a href="#">Summary</a>	
2014	<a href="#">HB 2562</a>	probation; peace officers; rights; investigations	Reorganizes and makes changes to the sections of statute governing a law enforcement officer's rights and probation officer's rights.	<a href="#">Summary</a>	
2013	<a href="#">HB 2389</a>	peace officers; omnibus	Makes various statutory changes related to officers and firefighters, and limits certain information regarding a spouse and minor child of a deceased officer and a former public official from public record.	<a href="#">Summary</a>	
2012	<a href="#">HB 2723</a>	law enforcement officer; discipline; information	Modifies the statute relating to disciplinary actions of law enforcement officers.	<a href="#">Summary</a>	
2012	<a href="#">HB 2571</a>	state personnel system	Consolidates the current state personnel systems, establishes the transition of a majority of the State workforce to uncovered and at-will status, improves management of the workforce, restructures the grievance and appeal process and updates human resources practices	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>



## Per Diem Rates

Statute	Description	Per Diem Amount
38-611. Compensation of certain state officers and employees	<u><b>Public Officers and Employees</b></u> C. Except as otherwise provided by statute or specific legislative appropriation, members of boards, commissions, councils or advisory committees who are authorized by law to receive compensation may receive compensation at the rate of not to exceed thirty dollars for each day engaged in the service of such board, commission, council or advisory committee.	\$30 per day
48-408. Powers and duties of directors; compensation	<u><b>Special Taxing Districts (Pest Control Districts)</b></u> B. A director shall serve without compensation, except that he shall be paid ten dollars per diem and expenses of not to exceed ten dollars for each day the directors meet to transact district business. Any director who may be designated so to do may travel within and without the state and may use vehicles owned by the district or public transportation for such travel when on district business, and shall be paid ten dollars per diem and actual travel expenses when so engaged.	\$10 per day
48-5505. Compensation of directors	<u><b>Special Taxing Districts (Special Health Care Districts)</b></u> Members of the board of directors shall serve without compensation, but each is allowed: 1. Necessary travel and incidental expenses actually incurred in performing official district business as approved by the board of directors. 2. Per diem determined pursuant to title 38, chapter 4, article 2, when away from the district on business of the district. 3. Per diem for attending meetings of the board of directors of the district not to exceed the amount prescribed by section 32-1604.	Reimbursement of expenses (see below)
32-1604. Compensation	<u><b>Board of Nursing</b></u> Members of the board are eligible to receive compensation not to exceed two hundred dollars per day for each day spent in the discharge of their duties and all expenses necessarily and properly incurred in attending meetings.	\$200 per day
Title 38, Ch. 4, Article 2	Reimbursement of expenses for public officers and employees	Reimbursement of expenses
32-1903. Organization; meetings; quorum; compensation of board; executive director; compensation; powers and duties	<u><b>Pharmacy Board</b></u> Members of the board are eligible to receive compensation in the amount of two hundred dollars for each day of actual service in the business of the board and reimbursement for all expenses necessarily and properly incurred in attending meetings of or for the board.	\$200 per day
32-2903. Board meetings; organization; compensation	<u><b>Board of Homeopathic and Integrated Medicine Examiners</b></u> F. Board members are eligible to receive compensation in the amount of not more than one hundred fifty dollars for each day of actual service in the business of the board. Board members are eligible to receive compensation for all expenses necessarily and properly incurred in attending board meetings.	\$150 per day
42-1252. State board of tax appeals	<u><b>State Board of Tax Appeals</b></u> F. Each member of the board shall receive: 1. One hundred fifty dollars per day for time spent in the performance of official duties. 2. Such travel and other expenses as provided by law for other state officers.	\$150 per day

32-1802. Meetings; organization; compensation; committees	<b><u>Board of Osteopathic Examiners</u></b> Members of the board are eligible to receive compensation in the amount of two hundred fifty dollars for each day of actual service in the business of the board and reimbursement of all expenses necessarily and properly incurred in attending meetings of the board.	\$250 per day
32-4202. Board; membership; terms; immunity	<b><u>Board of Massage Therapy</u></b> D. Board members are eligible to receive compensation in the amount of one hundred dollars per day for each day of actual service in the business of the board and for reimbursement of expenses pursuant to title 38, chapter 4, article 2 to cover necessary expenses for attending each board meeting or for representing the board in an official board approved activity.	\$100 per day
36-483. Governing board; members; appointment; qualifications; terms; officers; meetings; compensation	<b><u>AZ Health Facilities Authority Board</u></b> E. Each member of the board shall receive fifty dollars for each board meeting attended and shall be paid any necessary expenses while engaged in the performance of his duties but shall receive no other compensation.	\$50 per day
40-1121. Board of directors of authority; qualifications; appointment; terms; oath; meetings; compensation	<b><u>Metropolitan Public Transit Authority Board</u></b> H. Directors shall each receive twenty-five dollars a day for attendance at board meetings, but not to exceed fifty dollars in one calendar month, and shall be reimbursed for travel to and from such meetings at the rate of ten cents per mile.	\$25 per day Max \$50 per month .10 per mile travel
41-781. State personnel board; members; appointment; term; meetings; compensation	<b><u>State Personnel Board</u></b> E. Members of the state personnel board, except the person designated as the state employee, are eligible to receive compensation of one hundred dollars for each meeting attended, prorated for partial days for each meeting attended. The member of the state personnel board designated as the state employee shall be paid the state employee's regular compensation for meetings of the board.	\$100 per day
17-202. Arizona game and fish commission appointment recommendation board	<b><u>AZGFD Appointment Recommendation Board</u></b> D. Members of the board are not eligible for compensation for their services or reimbursement of expenses.	\$0
15-2001. School facilities board; conflict of interest	<b><u>School Facilities Board</u></b> Members of the board who are not employed by government entities are entitled to payment of one hundred fifty dollars for each meeting attended, prorated for partial days spent for each meeting, up to two thousand five hundred dollars each year. All members are eligible for reimbursement of expenses pursuant to title 38, chapter 4, article 2. These expenses and the payment of compensation are payable to a member from monies appropriated to the board from the new school facilities fund.	\$150 per day Max \$2500 per year
32-3902. Acupuncture board of examiners; members; qualifications; terms; removal;	<b><u>Acupuncture Board of Examiners</u></b> F. Board members are eligible to receive compensation in an amount not to exceed fifty dollars per day for each day of actual service in the business of the board and are eligible for reimbursement of expenses necessarily and properly incurred in attending board meetings.	Max \$50 per day

compensation		
4-111. State liquor board; department of liquor licenses and control; members; director; appointment and removal	<p><b><u>AZ State Liquor Board</u></b></p> <p>E. Members of the board are entitled to receive compensation at the rate of fifty dollars per day while engaged in the business of the board.</p>	\$50 per day
41-1830.11. Law enforcement merit system council; composition	<p><b><u>Law Enforcement Merit System Council</u></b></p> <p>C. Members of the council are eligible to receive compensation for their services in the amount of one hundred dollars for each meeting attended, prorated for partial days for each meeting attended.</p>	\$100 per day

## Photo Radar

A.R.S. § 28-601 defines a *photo enforcement system* as “a device substantially consisting of a radar unit or sensor linked to a camera or other recording device that produces one or more photographs, microphotographs, videotapes, digital or other recorded images of a vehicle’s license plate for the purpose of identifying violators of articles 3 and 6 of this chapter.” There have been two types of photo enforcement systems utilized in the state: a fixed speed camera system and a mobile speed van system. Photo enforcement systems are used to complement traffic enforcement by police officers and employ various digital media to capture alleged violations. The purported purpose of the photo enforcement systems is to deter red light violations, reduce speeding violations, increase traffic situational awareness, and reduce collisions.

A.R.S. § 28-1201 through § 28-1205 provide the standards and specifications relating to photo enforcement systems. A.R.S § 28-1203 prohibits a photo enforcement system from being placed within six hundred feet of a posted speed limit change, except in an area around a school crossing. A.R.S. § 28-1204 requires every local authority or agency of this state to adopt standards and specifications to provide notice to a person operating a motor vehicle that a photo enforcement system is present and operational.

Year	Bill No	Short Title	Description	Summary	Note
2016	<a href="#">HB 2591</a>	civil traffic violations; alternative service	Prohibits a person’s driving privileges from being revoked or suspended as a result of a citation served by, rather than issued following completion of, an alternative service of process.	<a href="#">Summary</a>	
2016	<a href="#">SB 1241</a>	photo radar prohibition; state highways	Prohibits the state or local authority from using a photo enforcement system on a state highway.	<a href="#">Summary</a>	
2013	<a href="#">HB 2477</a>	photo radar on state highways	Allows for the placement of photo enforcement systems on state highways by cities and towns if it is proven necessary for public safety and the city or town enters into a contract with ADOT. Prohibits contracts or permits from exceeding three years and allows ADOT to prevent renewal if the photo enforcement system does not maintain a positive impact on public safety.	<a href="#">Summary</a>	

## Particulate Matter

The EPA provides ADEQ with air quality and pollution standards in accordance with the Clean Air Act, including standards for PM-10 and addressing nonattainment areas. The EPA defines PM-10 as particulate matter or pollution between 2.5 and 10 micrometers in diameter and nonattainment area as an area of the country where air pollution levels persistently exceed the National Ambient Air Quality Standards. Once the EPA designates nonattainment areas, the state and local governments must develop implementation plans outlining how areas will attain and maintain the standards by reducing air pollutant emissions contributing to fine particle concentrations.

Year	Bill No	Short title	Description	Summary	Note
2015	<a href="#">HB 2394</a>	air quality; agricultural management practices	Required anyone who commenced a regulated agricultural activity to immediately comply with the agricultural general permit beginning January 1, 2016.	<a href="#">Summary</a>	

## Presidential Preference Election

A person seeking nomination as a candidate for the Office of President of the U.S. is required to sign and file a nomination paper with the SOS. The PPE gives qualified registered voters the opportunity to express their preference for the presidential candidate of the political party indicated on their record of registration. Party participation in the PPE is voluntary. Independents and those registered with a non-participating party cannot vote unless their party affiliation is updated 29 days prior to the election.

[A.R.S. § 16-241](#) requires the PPE to be held on the Tuesday immediately following March 15<sup>th</sup> of each year in which the President of the U.S. is elected. No other election may appear on the same ballot as the PPE. At least 20 days prior to the PPE, each county board of supervisors must designate a reasonable and adequate number of polling places determined by the number of active registered voters as of January 1<sup>st</sup> of the year of the PPE ([A.R.S. § 16-248](#)). Reimbursement of charges incurred by counties for the PPE is equal to \$1.25 for each active registered voter in the county on January 1 of the year of the PPE ([A.R.S. § 16-250](#)).

The SOS is required to certify the election results to the party committee chairmen who have candidates on the ballot by the 2<sup>nd</sup> Monday following the election. Each delegate to the political party's national convention must vote for the party's presidential nominee who received the greatest number of votes in the PPE ([A.R.S. § 16-243](#)). The selection of delegates to the political party national conventions is provided in the bylaws of each state party. The primary election is a separate election held in August and does not contain presidential candidates.

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2695</a>	general appropriations act; 2016-2017	In part, establishes the 2016 PPE county reimbursement rate based on the number of active registered voters as of January 1, 2016, and designates responsibility to future legislatures to determine the PPE appropriate funding levels.	<a href="#">Summary</a>	
2015	<a href="#">HB 2595</a>	late filings; campaign finance reports	Makes various changes to the nomination qualifications for candidates to appear on the PPE ballot including extending the timeframe for filing nomination papers, reducing the number of signatures needed on nomination petitions from 1,000 to 500 and allowing candidates to appear on the PPE ballot if the SOS receives a notice of candidacy signed by the candidate with evidence that the candidate's name is qualified to appear on the PPE ballot in at least 2, instead of 20, other states.	<a href="#">Summary</a>	
2015	<a href="#">SB 1473</a>	government; budget reconciliation; 2015-2016	Changes the rate at which counties are reimbursed for the PPE from 100% to \$1.25 per registered voter.	<a href="#">Summary</a>	
2014	<a href="#">HB 2107</a>	elections; candidate; ballot measures signatures	Changes the date of the PPE from the fourth Tuesday in February to the Tuesday immediately following March 15 <sup>th</sup> of the year in which the President of the U.S. is elected.	<a href="#">Summary</a>	
2012	<a href="#">HB 2033</a>	public electronic posting; government bodies	Provides 100% reimbursement for county costs associated with the PPE and modifies nomination petition requirements for PPE candidates.	<a href="#">Summary</a>	

## Prime Contracting

A.R.S. § 42-5075 establishes the prime contracting classification of TPT, comprised of the business of prime contracting and the dealership of manufactured buildings. The TPT base for prime contracting is 65% of the gross proceeds of sale or gross income derived from the business. A.R.S. allows for specified exemptions from prime contracting TPT. Prime contractors are not subject to taxation under the prime contracting classification for proceeds of sale or gross income resulting from the maintenance, repairing, replacement or alteration of real property in a contract, as long as the contract does not include modification activity.

Year	Bill No	Short title	Description	Summary	Note
2015	<a href="#">SB 1446</a>	TPT reform; contractors	Alters statute regarding TPT pertaining to contractors.	<a href="#">Summary</a>	
2014	<a href="#">HB 2389</a>	transaction privilege tax changes.	Requires ADOR to provide a specific exemption certificate for contractors who are no longer required to be licensed and pay TPT under the prime contracting classification.	<a href="#">Summary</a>	
2014	<a href="#">HB 2415</a>	prime contracting deductions; waste facility	Establishes a deduction under the prime contracting classification of the TPT for the gross proceeds of sales or gross income derived from a contract for the construction of a mixed waste processing facility located on a municipal solid waste landfill that is constructed for the purpose of recycling solid waste or producing renewable energy from landfill waste.	<a href="#">Summary</a>	
2014	<a href="#">SB 1160</a>	registrar of contractors; discipline grounds	Requires the Registrar of Contractors to temporarily suspend or permanently revoke the license of a person upon notice from ADOR that a tax debt related to income taxes, withholding taxes or TPT incurred in the operation of the licensed business has become final and the person neglects to pay or refuses to pay the tax debt.	<a href="#">Summary</a>	
2013	<a href="#">HB 2111</a>	transaction privilege tax changes	Modifies the prime contracting classification of TPT to exempt contracts with a property owner for maintenance, repair, or replacement of existing property.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2013 (1S)	<a href="#">HB 2009</a>	budget; brb; revenue; FY 2013-2014	Exempts computer data center equipment purchased for use in a certified CDC from the retail and prime contracting classifications of TPT and use tax.	<a href="#">Summary</a>	
2012	<a href="#">HB 2332</a>	healthy forest enterprise incentives; extension	In part, reauthorizes the prime contracting exemption for construction contracts with a business that receives healthy forest enterprise incentives.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2012	<a href="#">SB 1442</a>	prime contracting; manufacturing facilities; infrastructure	Allows a city, town, or county, from October 1, 2013 through September 30, 2023, to enter into an agreement with ADOR to receive all state prime contracting TPT collections arising from a qualifying project to pay for up to 80% of public infrastructure improvements for the project.	<a href="#">Summary</a>	

## Property Tax

Within the state, there are two different types of property taxes. The first are referred to as primary property taxes, which are levied to pay for the operation and maintenance of a taxing jurisdiction. The second type are referred to as secondary property taxes, which are levied to pay for bond indebtedness, voter-approved budget overrides and special taxing districts.

There are two types of property categories: real and personal property. Real property is land, buildings and improvements to land. Personal property is property that is utilized for commercial, industrial and agricultural purposes (office furniture, business equipment, tools).

Property is classified for assessment in one of nine different classes. The classes are based on the utilization of the property and determine the assessment ratio as specified by statute. The assessment ratio currently ranges from 1% to 18.5%, which is used to calculate the net assessed value of the property a taxpayer is taxed on.

Year	Bill No	Short Title	Description	Summary	Note
2016	<a href="#">HB 2481</a>	schools; primary property tax rates	Requires school districts to levy property taxes at a rate equaling the lesser of the qualifying tax rate and the district support level, along with any additional levy requests that are outside the revenue control limit, at specified rates.	<a href="#">Summary</a>	
2016	<a href="#">SB 1157</a>	small property tax balance delinquency	Extends the date of delinquency for property taxes equaling \$100 or less from November 1 to December 1.	<a href="#">Summary</a>	
2016	<a href="#">SB 1244</a>	fire districts; wildland fires; budgets	In part, increases the tax rate limit for fire districts from \$3.25 to \$3.50 per \$100 of assessed valuation.	<a href="#">Summary</a>	
2016	<a href="#">SB 1523</a>	truth in taxation; levy increases	Requires a proposed community college district, county or municipal tax levy that increased by 15% or more from the previous year, excluding increases due to new construction, to be approved by the jurisdiction's governing body by a unanimous roll call vote	<a href="#">Summary</a>	
2015	<a href="#">HB 2615</a>	illegal tax levies; review; notice	Requires the Property Tax Oversight Commission to review secondary property tax levies for each county, city, town, and community college district.	<a href="#">Summary</a>	
2014	<a href="#">HB 2281</a>	leased religious property; class nine	Reclassifies property leased to a religious assembly or institution as Class 9 and exempts such property from taxation if owned by an educational, religious, or charitable organization.	<a href="#">Summary</a>	<a href="#">Veto Letter</a>
2014	<a href="#">SB 1352</a>	property tax roll; corrections	Allows property owners to file a notice of claim pursuant to A.R.S. § 42-16254 in order to prorate the property's value from the date of destruction, should that property be destroyed after the assessor closes the tax rolls.	<a href="#">Summary</a>	
2013	<a href="#">HB 2125</a>	property tax levy; community colleges	Authorizes a community college district to resubmit a primary property tax levy proposal to the voters if an initial proposal was approved between 20 and 35 years prior.	<a href="#">Summary</a>	<a href="#">Veto Letter</a>
2013	<a href="#">HB 2344</a>	property tax penalty waiver	Allows a county treasurer, in consultation with the board of supervisors, to waive the penalty imposed on an owner of a primary residence for failure to respond to a request for information about classification of residential property for good cause.	<a href="#">Summary</a>	
2013	<a href="#">HB 2346</a>	rural electric cooperatives; valuation	Prescribes the formula to be used by ADOR to determine the valuation of distribution cooperatives	<a href="#">Summary</a>	
2013	<a href="#">HB 2446</a>	property tax; religious institution; exemption	Broadens the tax exemption for religious property to include any property held primarily for religious	<a href="#">Summary</a>	<a href="#">Veto Letter</a>



			use, rather than religious worship.		
2013	<a href="#">SB 1169</a>	proposition 117; conformity	Conforms A.R.S. to comply with the requirements of Proposition 117, enacted by the voters.	<a href="#">Summary</a>	
2013	<a href="#">SB 1286</a>	nursing facility provider assessments	Exempts the Arizona Veterans' Homes from the nursing facility provider assessment statutes.	<a href="#">Summary</a>	
2012	<a href="#">HB 2092</a>	property tax appeals; valuation; classification	Increases the maximum limitation for small claims procedures on property classification and valuation to \$2 million in real or personal property.	<a href="#">Summary</a>	
2012	<a href="#">HB 2178</a>	property taxes; refund; forgiveness	Authorizes the Mojave County Treasurer to refund taxes paid, and forgive any property taxes and accrued penalties due, for qualified property owners.	<a href="#">Summary</a>	
2012	<a href="#">HB 2184</a>	fire district; alternative tax rate	Allows a fire district that's net assessed valuation declined by a total of 25% or more beginning with the 2008 valuation year to temporarily increase its tax rate from \$3.25 to \$3.75 per \$100 of assessed value.	<a href="#">Summary</a>	
2012	<a href="#">HB 2226</a>	property tax; agriculture	Defines lands and improvements of at least five acres dedicated to agriculture operations as agricultural real property for property tax purposes.	<a href="#">Summary</a>	
2012	<a href="#">HB 2478</a>	property tax; facilities	Limits the athletic, recreational, entertainment, artistic or cultural facilities that can be designated as class 9 properties to those that are used exclusively for those purposes and must become the property of the federal, state, county or municipal property on termination of the lease.	<a href="#">Summary</a>	
2012	<a href="#">HB 2608</a>	assessed valuations; audit	Allows ADOR to audit county assessor property valuations to ensure proper valuation of new construction and directs the governing body of each county, city, town, community college district and school district to fix and determine property 8 tax rates based on property valuations determined by February 10 of the tax year.	<a href="#">Summary</a>	
2012	<a href="#">HB 2801</a>	property tax bills; payment; interest	Precludes interest charges on delinquent property taxes of less than \$100 if the tax is paid in full by December 31 of the tax year.	<a href="#">Summary</a>	
2012	<a href="#">HB 2815</a>	employment; incentives; regulatory tax credit	Changes the methodology for annually indexing the business personal property exemption beginning in 2013 and specifies that the exemption should be re-calculated as if this had been in effect since 1997.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2012	<a href="#">SB 1416</a>	property tax; agriculture classification; affidavit	Modifies the criteria for property that is eligible for designation as agriculture by reducing the number of years land is required to be used for agricultural purposes, to at least 3 of the last 5 years, rather than 7 of the last 10 years.	<a href="#">Summary</a>	

## Public Safety Personnel Retirement System

PSPRS is a multiple-employer public employee retirement plan where employers pool assets for investment purposes, but retain their own individual obligations established by Title 38, Chapter 5, Article 4 to provide benefits for public safety employees of certain state and local governments. Police officers who are certified peace officers and fire fighters are eligible to participate in PSPRS if the employee's customary employment is for at least 40 hours per week for more than six months in a calendar year and are regularly assigned to hazardous duties. Retroactive to January 1, 2009, police and fire chiefs are eligible to participate in PSPRS. The nine-member PSPRS Board of Trustees and 237 local boards jointly administer PSPRS.

### ***Benefit Structure***

**Tier I** covers members hired on or before December 31, 2011. The average monthly benefit is determined by an average of the highest 36 consecutive months of compensation within the last 20 years of credited service.

**Tier II(a)** includes members who had less than 20 years of service on January 1, 2012.

**Tier II(b)** covers members hired on or after January 1, 2012. The average monthly benefit is determined by an average of the highest 60 consecutive months of compensation within the last 20 years of credited service.

Member contributions are statutorily capped at 11.65%, while the average employer rate is 42.61%. Actual funded status and employer rates vary across the plan.

**Tier III** covers members hired on or after July 1, 2017. The average monthly benefit is determined by multiplying the number of whole a fractional years of credited service by the multiplier outlined in statute ([A.R.S. § 38-845](#)).

Member and employer contributions are set at 50% of the normal cost and actuarially determined amount to amortize the total unfunded accrued liability for each employer.

### ***Litigation***

In 2011, the Legislature passed [SB 1609](#) that made numerous changes to the PSPRS structure for retired and active members (Tier I and Tier II(a)) and created Tier II(b). The Arizona Supreme Court ruled in [Fields v. Elected Officials' Retirement Plan](#) that the reduction of PBIs for current retirees violated Article 29 of the Arizona Constitution, which specifies that "public retirement system benefits shall not be diminished or impaired." This ruling also applies to PSPRS and CORP retirees. As a result, PSPRS retroactively paid out PBIs for retirees from 2011 and established two separate PBI structures moving forward to recognize Tier I and Tier II differences. This decision had an immediate impact on the funded status of PSPRS because monies that were being applied towards the unfunded liability had to be redirected to PBI payments. This resulted in higher unfunded liability that contributed to employer contribution rate increases.

The Fields decision regarding PBIs only applies to current retirees. The plaintiffs in *Hall vs. The Elected Officials' Retirement Plan*, who are current employees, are challenging the PBI structure in addition to the increased contribution rates for members who were active prior to the enactment of SB 1609. They argue the statutory rates reflected a contractual agreement that could not be modified without employee consent. *Hall* is still being litigated.

*Proposition 124* (2016), as passed by the voters amends the Arizona Constitution by creating an exception to the current prohibition against diminishing or impairing public retirement system benefits by allowing for certain adjustments to PSPRS and makes the following changes:

- 1) Replaces the current PBI for retirees, current employees and new employees hired before July 1, 2017 with a new compounding cost-of-living adjustment (COLA) based on the average annual percentage change in the metropolitan Phoenix-Mesa CPI using the immediately preceding year as the base year for making the determination. The adjustment may not exceed 2% of the base benefit each year. COLA payments are made on July 1 each year and are prorated in the first year of a member's retirement. A participant in the DROP Program may not receive the COLA during the participation period. The PSPRS actuary is required to

include the projected cost of providing the COLA in the calculation of normal cost and accrued liability.					
2) Requires an employee hired on or after January 1, 2012 and before July 1, 2017, who is not covered by Social Security and who chooses to participate in the new supplemental defined contribution plan, to contribute 3% of the employee's gross pensionable compensation each year. The employer of a participating employee must make a contribution ranging from 4% down to 3%, depending on the employee's hire date, leveling at 3% beginning July 1, 2024, for the duration of the employee's employment. The employee is vested in the employee's contribution immediately and in the employer's contribution at a rate of 10% per year.					
Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2643</a>	PSPRS; CORP; EORP; administration changes	Clarifies the alternate contribution rate paid by a PSPRS employer for retirees who return to work. Stipulates that a PSPRS member who retires having met all the qualifications for retirement and subsequently becomes an elected official is not considered reemployed by the same employer.	<a href="#">Summary</a>	
2016	<a href="#">SB 1152</a>	PSPRS; EORP; CORP; continuation	Continues PSPRS for eight years.	<a href="#">Summary</a>	
2016	<a href="#">SB 1428</a>	PSPRS; modifications	Establishes a new retirement benefit structure for public safety personnel hired on or after July 1, 2017 with two options: a defined benefit plan and a defined contribution plan. Creates a new mechanism to offer a COLA applicable to retirees, current members and new members. Expands the PSPRS Board to nine, outlines member criteria, appointment process and establishes an advisory committee and requires the Board to study methods for risk pooling and local board consolidation.	<a href="#">Summary</a>	
2015	<a href="#">SB 1057</a>	PSPRS; health benefits; retirement benefits	Makes changes to the lump sum payment of PBIs and the health insurance/accident premium benefit program.	<a href="#">Summary</a>	
2014	<a href="#">HB 2166</a>	PSPRS contributions; county employers	Permits a county employer under PSPRS that elected to pay a higher level percentage contribution rate to eliminate that rate amount for members hired on or after January 15, 2015.	<a href="#">Summary</a>	
2014	<a href="#">HB 2693</a>	PSPRS; employer liability; death benefits	Requires the PSPRS actuary to calculate the Actuarial Present Value of death benefits for persons killed in the line of duty for valuation purposes.	<a href="#">Summary</a>	
2014	<a href="#">HB 2708</a>	budget procedures; 201-2015.	In part, requires PSPRS Board to include additional information related to future anticipated contribution rates in the comprehensive annual financial report submitted to the Governor and the Legislature.	<a href="#">Summary</a>	
2013	<a href="#">HB 2056</a>	PSPRS; amendments	Makes administrative changes to the statutes governing PSPRS.	<a href="#">Summary</a>	
2013	<a href="#">HB 2562</a>	public retirement systems; ineligible employees	Provides coverage under the ASRS Defined Contribution Plan for employees who are ineligible for a state retirement system.	<a href="#">Summary</a>	
2012	<a href="#">HB 2409</a>	PSPRS; pension buy back payments	Outlines service purchase payment guidelines for pension buy backs in PSPRS.	<a href="#">Summary</a>	
2012	<a href="#">HB 2571</a>	state personnel system	In part, states that the Director serves at the pleasure of the PSPRS Board. Moves PSPRS under the state personnel system. Allows the Board to enter into employment agreements and set terms for those agreements for specific positions, in consultation with the Director of ADOA.	<a href="#">Summary</a>	
2012	<a href="#">HB 2745</a>	PSPRS; employer contributions	Prohibits the requirement of an alternate contribution rate for a retired PSPRS member who is required to participate in another state retirement system and the retired member returned to work before July 20, 2011. Provides changes to ASRS statutes regarding distribution, service purchase and investments.	<a href="#">Summary</a>	

2012	<a href="#">SB 1115</a>	PSPRS; investment contracts	Stipulates that loans, guarantees, investment management agreements and investment contracts made by PSPRS receive due diligence regarding the Arizona Sudan and Iran acts as well as federal immigration law.	<a href="#">Summary</a>	
2012	<a href="#">SB 1116</a>	PSPRS; CORP; EORP; amendments	Modifies PSPRS statutes relating to qualified domestic relations orders, death benefits, local boards, credited service and payment of pension.	<a href="#">Summary</a>	

## School Tuition Organizations

An STO is a charitable organization in the state of Arizona that uses at least 90% of its received contributions to provide scholarships or tuition grants to low-income, disabled or displaced children that are not attending public school. STO tax credits cannot exceed an aggregate annual amount of \$51.6 million for FY 2016 with the cap increasing 20% each subsequent year. STO credits are limited to individuals and specified business types and all must receive preapproval from ADOR and are awarded on a first-come, first-served basis. If an allowable tax credit exceeds the taxpayer's tax liability, the credit may be carried forward for five consecutive tax years.

Year	Bill No.	Short Title	Description	Summary	Note
2015	<a href="#">HB 2153</a>	tax credits; STOs; preapproval; entities	Establishes a pro rata tax credit for an S Corporation that donates to an STO.	<a href="#">Summary</a>	
2014	<a href="#">HB 2328</a>	STOs; grants; corporate tax credit	Modifies requirements for qualified students under Lexie's Law so that any student who is a prior qualified student who continues to attend a qualified school, is placed in foster care or is identified as having a disability is eligible for the program.	<a href="#">Summary</a>	
2014	<a href="#">SB 1048</a>	tax credits; STOs; preapproval; entities	Allows an S corporation shareholder to claim an income tax credit in an amount equal to the pro rata amount contributed by the S corporation to a STO.	<a href="#">Summary</a>	<a href="#">Veto Letter</a>
2013	<a href="#">HB 2617</a>	school tuition organizations; tax credit; pro rata	Allows a tax credit for a small business corporation that makes a contribution to a STO and outlines requirements associated with the credit.	<a href="#">Summary</a>	<a href="#">Veto Letter</a>
2012	<a href="#">SB 1045</a>	tax correction act; 2012	Applies the appropriate terminology to the statute governing STO auditing and financial review by replacing accounting with auditing.	<a href="#">Summary</a>	
2012	<a href="#">SB 1047</a>	school tuition organizations; credits; administration	Establishes a tax credit for contributions to a STO that exceed the amount for which the existing STO tax credit can be claimed and makes various administrative and qualifying changes to the individual and corporate income tax credit programs.	<a href="#">Summary</a>	

## Sex Offender Registration and Community Notification

A.R.S. Title 13, Ch. 38, Article 3 governs the registration and community notification for sex offenders in Arizona. [A.R.S. § 13-3821](#) outlines who must register as a sex offender and prescribes requirements for registration. Sex offender registration is a lifetime duty in Arizona, except in the following situations:

1. If the offender was adjudicated delinquent for the offense requiring registration, the duty to register ends when the offender reaches age 25 (A.R.S. § 13-3821(D)).
2. If the offender is on probation, under 22 years of age and was convicted of an offense that occurred before the offender turned 18, the offender can ask the court to consider ending the offender's duty to register. ([A.R.S. § 13-923](#)).

Prior to release from ADC, an offender's registration must be completed. Within three days of being released from custody, the offender's registration information must be forwarded to ADPS and the county sheriff where the offender will reside. The offender has the duty to report to the sheriff within 72 hours of moving, changing names or changing any online identifier used to communicate on the internet ([A.R.S. § 38-3822](#)). Offenders must obtain a new driver license or non-operating license every year, verifying address and residence to MVD. This information is shared by MVD with ADPS. It is a Class 4 felony to fail to comply with registration requirements ([A.R.S. § 13-3824](#)); failure to obtain the annual credential is a Class 6 felony.

Separate from the act of registering as a sex offender, specific offenders are also subject to community notification as outlined in [A.R.S. § 13-3826](#). Community notification was added to Arizona statutes in 1996 through the enactment of *Megan's Law*. Community notification was originally applied prospectively to offenders convicted after June 1, 1996. In 2004, the Legislature applied community notification to all registered sex offenders, regardless of when the offender was convicted ([Laws 2004, Ch. 308](#)). The community notification requirement for these persons is contingent upon the agency with the custody or supervision of the person conducting a risk assessment. Without the risk assessment, notification cannot be conducted.

To conduct community notification, first the offender is screened using a 19-point risk assessment, which results in a numerical score. The score determines if the offender will be categorized as a Level 1, Level 2 or Level 3 risk to the community. Offenders given a Level 2 or Level 3 designation are subject to community notification and they are included on the ADPS sex offender website pursuant to [A.R.S. § 13-3827](#). The [website](#) includes the offender's name, address, age, current photograph and the offense that the offender committed. Each entry must be annually updated by ADPS. Level 1 offenders are not subject to community notification and do not appear on the website.

According to ADPS, in March 2016 there were 15,438 registered sex offenders in Arizona. Of those:

1. 3,809 were classified as Level 1;
2. 3,922 were classified as Level 2;
3. 2,467 were classified as Level 3;
4. 3,044 were not currently classified (juvenile adjudications not subject to notification requirements / persons who were convicted prior to 1996 and for whom a risk assessment has not been completed); and
5. 2,196 have not been classified (currently incarcerated).

Year	Bill No	Short title	Description	Summary	Notes
2016	<a href="#">HB 2539</a>	sex offender registration; petition; termination	Allows a sex offender who was convicted of sexual conduct with a minor to be relieved of the duty to register if specific conditions are met.	<a href="#">Summary</a>	
2016	<a href="#">SB 1286</a>	internet sex offender website; offenses	Adds persons convicted of specific offenses to the ADPS internet sex offender website.	<a href="#">Summary</a>	
2015	<a href="#">HB 2087</a>	sex offender registration; address verification	Requires a registered sex offender to verify the individual's address on request by ADPS. Makes failure to comply a Class 4 felony.	<a href="#">Summary</a>	

2015	<a href="#">HB 2299</a>	sexual offenses; definitions, defenses	Defines <i>position of trust</i> as it relates to sexual abuse and sexual conduct with a minor and bars a defense to a prosecution if the consenting person was 15, 16 or 17 years of age and the defendant was in a <i>positon of trust</i> .	<a href="#">Summary</a>	
2015	<a href="#">HB 2378</a>	peace officers; unlawful sexual conduct	Prohibits peace officers from engaging in sexual contact with any person who is in the custody of or who is the subject of an investigation.	<a href="#">Summary</a>	
2014	<a href="#">HB 2437</a>	public committees; repeal; sunset	In part, specifies the sex offender community notification requirements	<a href="#">Summary</a>	
2012	<a href="#">HB 2019</a>	sex offender registration; multiple residences	Describes the registration requirements for sex offenders who have more than one address.	<a href="#">Summary</a>	
2012	<a href="#">SB 1146</a>	indecent exposure; classification	Makes indecent exposure a Class 6 felony if committed by an offender with either two or more prior convictions for indecent exposure, or one or more prior convictions for sexual assault.	<a href="#">Summary</a>	
2012	<a href="#">SB 1147</a>	sexually violent persons; definition	Expands the definition of <i>sexually violent offense</i> to include an attempt, solicitation, facilitation or conspiracy to commit a sexually violent offense in another jurisdiction.	<a href="#">Summary</a>	



## Special License Plates

A.R.S. § 28-2403 requires ADOT to issue or renew special license plates in lieu of regular license plates if a person submits a completed application form and pays the applicable fees. Special organization license plates authorized before September 30, 2009 remain valid license plates issued by the state unless the legislature enacts legislation specifically terminating those license plates.

ADOT's MVD provides one license plate to every motor vehicle owner for each vehicle registered. Vehicle license plates display both the state name and a number assigned to the vehicle and the owner, as well as MVD issued registration stickers. In addition to standard Arizona vehicle license plates, MVD issues special license plates for a variety of causes and organizations. The fee for obtaining or renewing a special license plate is \$25. From the \$25 fee, \$8 is an administrative fee that goes to ADOT, and \$17 is used as a donation to the respective organization. The cost to establish each new special license plate is \$32,000. The money is used for the production of the new special plate.

Some examples of special plates are: the Arizona Highways Special Plates, the In God We Trust Special Plates, Gold Star Family Special Plates, Childhood Cancer Research Special Plates and the Don't Tread On Me Special Plates. Currently, there are over 60 types of license plates available in Arizona, including specialized license plates.

Year	Bill No	Short Title	Description	Summary	Note
2016	<a href="#">HB 2022</a>	special plates; regionally accredited institutions	Establishes the Regionally Accredited Institution of Higher Education special license plate and fund. Allocated the monies in the fund to a foundation of a regionally accredited institution of higher education with at least one university campus and more than 2,000 students residing on the campus.	<a href="#">Summary</a>	
2016	<a href="#">HB 2145</a>	historic federal highway; special plates	Establishes the Historic Federal Highway, First Responders and Play Unified special license plates and funds. Allocates the Historic Federal Highway Preservation fund monies to an organization that is dedicated to preserve, protect and promote a federal highway in Arizona. Allocates the First Responder fund monies to an organization that offers financial assistance, emotional support peer training, professional referral services and scholarships to families of public safety officers and firefighters who are seriously injured or killed in the line of duty.	<a href="#">Summary</a>	
2015	<a href="#">HB 2092</a>	military scholarship special plates	Establishes the Military Scholarship special license plate and fund. Allocates the funds collected from the plate to benefit the Veteran's Donations Fund. Stipulates that the Veteran's Donations Fund helps sponsor programs to benefit veterans and their families throughout the state.	<a href="#">Summary</a>	
2015	<a href="#">HB 2522</a>	special plates; health sciences; hockey	Establishes the Health Sciences Educational Institution special license plate and fund. Changes the implementation date of the Arizona Professional Hockey Club Special Plate to 2015. Stipulates the funds collected from the Health Sciences Educational Institution special license plate must benefit Midwestern University scholarships.	<a href="#">Summary</a>	
2015	<a href="#">HB 2524</a>	firefighters; professional golf; special plates	Establishes the Arizona Professional Golf special plate and fund and the Firefighter special plate and fund. Stipulates the Arizona Professional Golf Fund will benefit the Southwest Section PGA Foundation. Requires the Firefighter Special License Plate Fund to benefit the Arizona Firefighters Fund, which supports fire fighter training.	<a href="#">Summary</a>	



2015	<a href="#">HB 2610</a>	community college collegiate special plates	Creates the Community College District Collegiate special plate and fund. Limits Plate creation eligibility to community college districts with a full-time student equivalent count of over 50,000 students.	<a href="#">Summary</a>	
2015	<a href="#">SB 1146</a>	personalized classic car license plates	Authorizes the request for a classic car special license plate to be combined with the request for a personalized license plate and, if granted, specifies it is subject to both fees.	<a href="#">Summary</a>	
2014	<a href="#">HB 2113</a>	Arizona motorsports commemorative special plates	Establishes the Arizona Motorsports Commemorative special license plate and fund. Allocates fund monies to a nationally leading foundation which provides resources and charitable support for children through education, medical treatment, dream experiences and volunteerism.	<a href="#">Summary</a>	
2013	<a href="#">HB 2217</a>	extraordinary educators special plates	Establishes the Extraordinary Educators special license plate and fund. Allocates fund monies to a foundation that supports an elementary school district and helps prepare students for the 21 <sup>st</sup> century.	<a href="#">Summary</a>	
2013	<a href="#">SB 1343</a>	girls' youth organization special plates	Establishes the Girls' Youth Organization special license plate and fund. Allocates fund monies to an incorporated nonprofit corporation that provides a program for young girls that builds courage, confidence and character.	<a href="#">Summary</a>	

## State Trust Land & State Land Department

In 1915, the State Land Department and the governing statutes were established by the State Land Code. The State Land Code gave the Department authority over all trust lands and natural products from the lands.

There are 13 beneficiaries of State Trust land revenues and two classifications for revenues earned from Trust land. Revenues from the sale of Trust land and natural products are referred to as permanent receipts. Expendable receipts include lease revenue from Trust land leases and permits and interest from sales contracts. Approximately 9.3 million acres of state trust land are currently managed by the Land Department.

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2702</a>	environment; budget reconciliation; 2016-2017	Repeals statutory changes made in the FY 2016 (SB 1474) budget that would have established a new Trust Land Management Fund upon voters approving a measure at the 2016 November election allowing not more than 10% of trust land proceeds to be used for administration and disposition of the trust. The change is consistent with HCR 2051/SCR 1025 that requested the Secretary of State to transmit the resolution back to the Legislature.	<a href="#">Summary</a>	
2015	<a href="#">SB 1474</a>	environment; budget reconciliation; 2015-2016	Conditions the repeal of the Trust Land Management Fund and replacement with the Trust Land Administration Fund on amending the Arizona Constitution by the voters at the 2016 general election to allow a portion of the annual proceeds of trust lands to be used to administer and dispose of trust lands.	<a href="#">Summary</a>	
2014	<a href="#">HB 2343</a>	wildfire prevention; state trust land	Requires the state land commissioner in coordination with the state forester to establish a program for the removal of vegetative natural products on state trust land by January 1, 2016 for the purpose of fire suppression and forest management. Requires the commissioner to identify and prioritize state lands that would benefit the most from the program in accordance with the wildfire risk assessment developed by the forester. Establishes a sunset date for the program of July 1, 2024.	<a href="#">Summary</a>	
2014	<a href="#">HB 2667</a>	persons with disabilities	The bill makes one minor technical correction in A.R.S. § 37-525, which struck “disabled” and inserted “with disabilities.”	<a href="#">Summary</a>	
2014	<a href="#">SB 1123</a>	property; liability; schools; recreational users	Modifies the definition of <i>recreational user</i> as it relates to the determination of liability on certain properties.	<a href="#">Summary</a>	
2013	<a href="#">HB 2297</a>	performance and restoration account	Establishes the Performance and Restoration Account and specified that proceeds of any security imposed by the commissioner as a condition of sale and the proceeds of a bond, collateral or security be deposited in the performance and restoration account. Allows the State Land Commissioner to enter into agreements with private entities or an intergovernmental agreement to coordinate the review and approval of plans for performance or restoration purposes and to perform the performance or restoration action.	<a href="#">Summary</a>	
2012	<a href="#">HB 2225</a>	trust land; agricultural classification; algaculture	Expands the uses of agricultural lands to include algaculture research, development and commercial production of biofuel or hydrogen on trust land and defined <i>algaculture</i> as the controlled propagation, growth and harvest of algae.	<a href="#">Summary</a>	

2012	<a href="#">HB 2571</a>	state personnel system	Consolidates the state personnel systems, transitioned most of the state workforce to uncover and at-will status, restructured the grievance and appeal process and updated human resources practices. Title 37 agencies, including the State Land Department, Navigable Streams Adjudication Commission and the State Forestry Division, were included in the state personnel reform.	<a href="#">Summary</a>	
2012	<a href="#">SB 1001</a>	military preservation; land exchanges	Modifies the process for review, evaluation and approval of proposed land exchanges of state trust lands for other public lands. Specifies that each exchange must be approved by qualified Arizona electors by Referendum at the next general election and be approved by an affirmative vote of the majority. Contains a conditional enactment clause, which requires an amendment to the Arizona Constitution at the next general election held in November 2012 in order for the provisions of the bill to become effective. Prop 119 (SCR 1001) passed in 2012.	<a href="#">Summary</a>	
2012	<a href="#">SB 1532</a>	environment; budget reconciliation	Allows the State Land Commissioner before June 30, 2013 to grant an additional extension of up to five years for certificates of purchase auctioned between January 1, 2004 and December 31, 2007 if the certificate is delinquent but not cancelled by June 1, 2012.	<a href="#">Summary</a>	

Ballot Initiatives						
Year	Measure	Yes Votes	No Votes	Outcome	Description	Bill No
2015-2016	(see description)			Retracted by the Legislature	A resolution passed in the FY 2016 budget package would have allowed, if approved by the voters, not more than 10% of annual state trust land proceeds to be used for administration and disposition of lands to increase the value of the trust. However, in 2016 the Legislature passed H.C.R. 2051 that requested the Secretary of State to return back to the Legislature the resolution proposing the amendment to the Constitution. As a result, the resolution was not included on the November 2016 ballot.	<a href="#">S.C.R. 1018</a>
2012	Prop. 118	950,938	931,238	Passed	Provides that for fiscal years 2013 through 2021, the annual distribution from the state trust land permanent funds to the various public institutions would be 2.5% of the average market values of the fund for the immediately preceding five calendar years. After fiscal year 2021, the distribution formula would return to the current formula set out in the Arizona Constitution: average total rate of return for the previous five fiscal years, less percentage change in inflation, multiplied by the average market value over the previous five years.	<a href="#">H.C.R. 2056</a>
2012	Prop. 119	1,194,594	733,907	Passed	Allows the state to exchange state trust land for other public land in this state if the certain requirements are met including the exchange be in the best and there must be two appraisals, public notice and hearings must be held and, voters must approve the change at a	<a href="#">S.C.R. 1001</a>

## Ballot Initiatives

Year	Measure	Yes Votes	No Votes	Outcome	Description	Bill No
					statewide general election.	
2012	Prop. 120	623,461	1,308,299	Failed	Declares Arizona's sovereign and exclusive authority and jurisdiction over the air, water, public lands, minerals, wildlife and other natural resources within the state's boundaries with certain specified exceptions. Also repeals Arizona's disclaimer of all right and title to public lands within the state (except Indian reservations) and to repeal Arizona's consent to provisions of the Enabling Act.	<a href="#">H.C.R. 2004</a>

## Towing

A.R.S. § 28-1108 authorizes ADPS, counties, cities and towns to form contractual agreements with towing firms for the purpose of providing towing and storage services. The towing vehicle classification, required equipment, and prices for services are regulated by the government entity entering into the contract. A person may not operate a tow truck for the purposes of towing without registering with the Director of ADPS, obtaining a bond and obtaining a permit pursuant to the rules that govern tow trucks and approved by ADPS.

A.R.S. § 28-3511 requires the removal, immobilization or impoundment of a vehicle by a peace officer if the driver is found guilty of the following: the person driving has had their driving privilege suspended or revoked, the person was never issued a valid driver license or permit, the person is operating the vehicle without a functioning certified ignition interlock device, the person is transporting or moving an illegal alien or concealing, harboring or shielding an alien in a vehicle. Current law also specifies that a vehicle is required to be immobilized or impounded for 30 days and the insurance company does not have a responsibility to pay for any fees or charges due to immobilization or impoundment. The person whose vehicle has been impounded or immobilized is required to have the opportunity for a hearing on the immobilization.

Contracts for towing are awarded on the basis of competitive bidding. Current law provides that a towing firm may only have one contractual agreement per geographic towing area with ADPS or a county, city, or town for towing or storage or both. An agency may allow a towing firm to use resources from another towing firm if an agency deems the use of those resources is necessary for traffic incident management.

Year	Bill No	Short Title	Description	Summary	Note
2016	<a href="#">HB 2434</a>	abandoned vehicles; towing reimbursement	Allows a towing company that has towed any abandoned vehicle to collect 20% of the towing fees, rather than \$100, collected from ADOT.	<a href="#">Summary</a>	<a href="#">Veto Letter</a>
2016	<a href="#">HB 2444</a>	towing; bond requirement	Requires a towing company employee who conducts a level one motor vehicle inspection applying for authorization to submit a bond that does not exceed \$25,000.	<a href="#">Summary</a>	
2015	<a href="#">HB 2416</a>	DPS; towing contracts; surveys	Requires ADPS to include a heavy duty rotator recovery vehicle classification in its towing service pricing when contracting with a towing firm. It moves and renumbers A.R.S. § 28-1108, relating to vehicle towing, to A.R.S. Title 41 and creates a new article relating to Towing Services. It also requires the Director of ADPS to adopt guidelines to protect consumers against being overcharged for towing services.	<a href="#">Summary</a>	
2015	<a href="#">HB 2422</a>	vehicle towing	Removes obtaining a bond from the requirements to operate a tow truck. Adjusts the length of validity of a towing firm's contract if the towing firm acquires another firm with a contractual agreement.	<a href="#">Summary</a>	
2015	<a href="#">HB 2523</a>	towed vehicles; local authority	Provides that a person in this state may choose any towing company to transport a motor vehicle from a towing company's storage premises to a vehicle repair facility.	<a href="#">Summary</a>	
2014	<a href="#">HB 2429</a>	towed vehicles; impoundment notification	Requires a law enforcement agency that removes, immobilizes or impounds a vehicle to enter information about the removal or immobilization of the vehicle into the Arizona Crime Information Center Database within three business days after the impoundment, removal or immobilization.	<a href="#">Summary</a>	
2013	<a href="#">HB 2186</a>	vehicle length; vehicle towing; exceptions	Prohibits a truck-semitrailer combination from exceeding an overall length of 65 feet, defines drawbar and articulates the point of connection for trailers towing vehicles.	<a href="#">Summary</a>	

2013	<a href="#">SB 1075</a>	impoundment; immobilization of vehicles	Modifies the procedural requirements and hearing proceedings for the immobilization and impoundment of vehicles, and standardizes administrative and storage fees.	<a href="#">Summary</a>	
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## TPT Exemptions

TPT is a tax levied for the privilege of conducting business operations in the state. TPT is imposed under 17 different business classifications: retail, transporting, utilities, telecommunication, publication, job printing, pipeline, private car line, commercial lease, transient lodging, online lodging marketplace, personal property rental, mining, amusement, restaurant, prime contracting and owner builder sales.

Each classification may be taxed by the state, county, municipality or some combination of all three. The state does not impose a tax on personal property rental or the sale of advertising. Most categories are taxed by the state at a rate of 5.6%, with a few exceptions. These exceptions include online lodging marketplace (5.5%), transient lodging (5.5%), and mining (3.125%). The true state base rate is 5%, although Proposition 301 increased the base rate by 0.6% for education funding through 2021.

Year	Bill No.	Short Title	Description	Summary	Note
2016	<a href="#">HB 2025</a>	utilities TPT; sales of propane	Exempts the sale of liquefied petroleum gas to a business engaged in manufacturing and smelting operations and that uses at least 51% of the liquefied petroleum gas in manufacturing or smelting operations from TPT and use tax.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2016	<a href="#">HB 2133</a>	TPT; exemption; aerial applicators	Exempts the sale of agricultural aircrafts from TPT and use tax.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2016	<a href="#">HB 2326</a>	agricultural feed; sales; tax exemption	Extends TPT, use tax and municipal tax exemptions to include sales of livestock and poultry feed and other items to anyone who feeds their own livestock or board livestock noncommercially.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2016	<a href="#">HB 2533</a>	charter aircraft; tax exemption	Exempts specified sales of aircraft and aircraft equipment from TPT and use tax.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2016	<a href="#">HB 2536</a>	fine art; TPT exemption	Exempts the sale of works of fine art at an auction or gallery to a nonresident, for use outside the state, from TPT.	<a href="#">Summary</a>	
2016	<a href="#">HB 2674</a>	TPT exemption; amateur races	Exempts events that consist of a run, walk, swim, bicycle ride or a combination of these events, and that is operated or conducted by a nonprofit organization from TPT.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2016	<a href="#">HB 2676</a>	utilities; manufacturing; smelting; TPT	Modifies the statutory definitions of <i>qualified manufacturing or smelting business</i> and <i>manufacturing</i> for the purposes of TPT exemptions on electricity and natural gas used in the businesses of manufacturing or smelting.	<a href="#">Summary</a>	
2016	<a href="#">SB 1310</a>	TPT exemption; billboard rentals	Exempts the leasing or renting of billboards from TPT.	<a href="#">Summary</a>	
2016	<a href="#">SB 1505</a>	tax exemption; natural gas delivery	Exempts gas transportation services from TPT and use tax.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2015	<a href="#">HB 2147</a>	TPT; municipal tax; pole attachment	Exempts the leasing or renting of space to make attachments to utility poles from TPT.	<a href="#">Summary</a>	
2015	<a href="#">HB 2358</a>	TPT; exemption; crop dusters	Exempts various types of aircraft and aircraft equipment from TPT and use tax.	<a href="#">Summary</a>	<a href="#">Veto Letter</a>
2014	<a href="#">HB 2285</a>	refined coal transfer; tax exemptions	Exempts the transfer of title or possession of coal from an owner or operator of a power plant to a person in the business of refining coal from TPT and municipal taxes if the transfer of title or possession of the coal is for the purpose of refining coal and the title or possession of the coal is transferred back to the owner or operator of the power plant after completion of the coal refining process.	<a href="#">Summary</a>	

2014	<a href="#">HB 2389</a>	transaction privilege tax changes	Exempts qualifying transactions made by members of SNAP under the Restaurant Program from TPT.	<a href="#">Summary</a>	
2014	<a href="#">HB 2546</a>	alarm businesses; alarm agents; regulation	Exempts alarm system monitoring services from municipal TPT.	<a href="#">Summary</a>	
2014	<a href="#">HB 2701</a>	TPT; health sciences institutions; exemption	Exempts personal property that is sold to or purchased by a qualified health sciences educational institution from TPT, use and municipal excise tax.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2014	<a href="#">SB 1413</a>	taxes; manufacturers' electricity sales; exemption	Exempts gross proceeds of sales of electricity and natural gas to manufacturing and smelting facilities from TPT and use tax.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2013	<a href="#">HB 2111</a>	transaction privilege tax changes	Exempts contracts with a property owner for maintenance, repair, or replacement of existing property from prime contracting TPT. Contracts that are not subject to TPT may not include modification activities.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2013	<a href="#">HB 2324</a>	commercial lease exemption	Provides a municipal TPT exemption for the leasing of real property between affiliated companies, businesses, persons or reciprocal insurers.	<a href="#">Summary</a>	
2013	<a href="#">HB 2336</a>	taxation; retail classification; cash equivalents	Exempts the sale of <i>cash equivalents</i> from the retail classification of TPT. <i>Cash equivalents</i> are defined as items or intangibles through which a value denominated in money is purchased in advance, including gift cards, vouchers, traveler's checks, and money orders or other instruments.	<a href="#">Summary</a>	
2013	<a href="#">HB 2346</a>	valuation; rural electric cooperatives	Exempts computer data center equipment purchased for use in a certified computer data center from the retail and prime contracting classifications of TPT.	<a href="#">Summary</a>	
2013	<a href="#">SB 1179</a>	ignition interlock devices; TPT exemption	Exempts energy drinks, the leasing or renting of certified interlock devices and qualified destination management services from TPT.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2013	<a href="#">SB 1435</a>	modular data center; TPT exemptions	Exempts the sale of component materials of modular data centers under certain circumstances and involving the transfer of a modular data center between affiliated entities from state and municipal TPT and use tax if the affiliated transferee leases or rents the modular data center after the transfer.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2012	<a href="#">HB 2332</a>	healthy forest enterprise incentives; extension	Extends the TPT, use and income tax incentives for qualified healthy forest enterprises in the state through December 31, 2024.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2012	<a href="#">SB 1229</a>	tax exemption; residential solar electricity	Prescribes TPT and use tax exemptions related to the transfer of solar photovoltaic electricity to an electric utility distribution system.	<a href="#">Summary</a>	



## Underground Storage Tanks

In 2015, the Legislature amended and reorganized the UST program statutes to specify the preapproval process for reimbursement of eligible corrective actions costs; establish a seven-year baseline assessment period in which an owner/operator may elect to conduct a baseline assessment to determine if a leaking UST is present on their property; extend the repeal date for the \$0.01/gallon gasoline tax to January 1, 2024; establish a mechanism for payment of previously time-barred claims; and expand reporting requirements, such as requiring owner/operators who have submitted an insurance claim that was subsequently denied, to submit that denial to ADEQ and the insurer is required to notify ADEQ if an owner/operator terminates or does not renew a policy for a UST. Additionally, ADEQ is required to compile a report and submit to the governor and the Legislature detailing the UST Revolving Fund balance, expenditures and revenues, and a list of any claim payments or any remaining time-barred claims, among other items.

Eligibility for corrective action and reimbursement is limited based on filing a timely insurance claim and pursuing the claim until denial is received or until ADEQ determines the claim has been constructively denied. The insurance policy covering the UST at the time the release is discovered will be primary to eligibility for corrective action and reimbursement. An owner/operator or their designee must notify ADEQ of a release or a suspected release of a UST and follow the statutory preapproval process in order to be eligible for reimbursement from the UST Fund for corrective actions. ADEQ has the authority to reimburse owner/operators with monies from the UST Revolving Fund for conducting a preapproved corrective action plan.

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2702</a>	environment; budget reconciliation; 2016-2017	Instructs the State Treasurer to invest and divest monies in the Underground Storage Tank Revolving Fund and credit investment earnings to the fund.	<a href="#">Summary</a>	
2015	<a href="#">HB 2636</a>	underground storage tanks	Reorganizes and transfers the UST program statutes, specifies the preapproval process for reimbursement of eligible corrective action costs, establishes a 7-year baseline assessment period, extends the repeal of the \$0.01/gallon gasoline tax to January 1, 2024, establishes a mechanism for payment of previously time-barred claims and makes various statutory and session law changes.	<a href="#">Summary</a>	
2014	<a href="#">HB 2708</a>	budget procedures; 2014-2015	Suspends the statutory administrative cap on the UST Revolving Fund Assurance Account (Account) in FY 2015 to allow ADEQ to transfer a combined total of \$6,531,000 from the Account and the Regulated Substance Fund for ADEQ administrative expenses. Repeals the transfer of monies in excess of \$60 million from the UST Assurance Account to the State Highway Fund on January 1, 2015, Removes exemptions to the reporting deadline of July 1, 2006, for eligibility for UST Assurance Account coverage, specifies that ADEQ is not required to take any action on an application for coverage, reimbursement or payment from the UST Assurance Account or on application for preapproval until a new revised UST corrective action program is effective, and provides a legislative intent clause that specifies monies in the UST Assurance Account fund a new and revised UST corrective action program and the existing UST leak prevention program.	<a href="#">Summary</a>	
2013	<a href="#">SB 1080</a>	underground storage tank program changes	Delayed the repeal of the Underground Storage Tank Tax and the Underground Storage Tank Assurance Account until December 31, 2015. Extended the time period to submit claims for corrective action coverage and created a study committee.	<a href="#">Summary</a>	

## Unemployment Insurance

The ADES provides employment programs and services, including unemployment insurance. Unemployment insurance provides temporary financial relief to eligible workers who separate from their previous employers at no fault of their own, as well as who are able to work, available for work, and actively seeking work. The amount of monetary benefit a worker is eligible to receive is based on insured wages paid to the worker during a one-year period called the *base period*. The *base period* is the first four of the last five completed calendar quarters before the worker files for a benefit claim. Currently, the amount is capped at \$240 per week for up to 26 weeks.

In order to cover the costs of unemployment insurance, employers are required to pay two types of taxes: State Unemployment Tax and Federal Unemployment Tax. The monies derived from the taxes are deposited into the Unemployment Insurance Trust Fund and are used solely for payment of benefits to unemployed workers.

The amount of the State Unemployment Tax an employer pays is based on their experience rating. New employers are assigned a tax rate of 2.0% for the first two calendar years, after which time their tax rate may be increased or decreased based on their experience rating. Their experience rating is calculated using a reserve ratio system which is based on four factors:

1. The amount of taxes paid;
2. The amount of unemployment benefits paid to former employees;
3. The average size of your annual taxable payroll; and
4. The overall solvency of the unemployment trust fund.

The State Unemployment Tax rate ranges from a minimum of .02% to a maximum of 5.4% and is levied on the first \$7,000 in wages paid to each employee in a calendar year. According to ADES, the average rate for 2014 and 2015 was 2.4%.

The Federal Unemployment Tax rate is 6%. Under Federal law, states that are in compliance with remitting the tax receive a tax credit of 5.4%. Arizona has a credit of 5.4%, so employers pay a rate of 0.6%. The tax is levied on the first \$7,000 in wages paid to each worker in a calendar year.

The Arizona Job Training Program (Program) operates under the jurisdiction of the ACA. The Program provides training for the following businesses: qualified new and expanding businesses; those undergoing economic conversion; incumbent workers who receive an increase in compensation on completion of training.

Businesses contribute monies, technical assistance, machinery and training space. The ACA cannot be a direct training provider. The local community colleges, private postsecondary educational institutions and tribal government qualified providers are all eligible participants. The program allocates monies: 1) for qualified new/expanding businesses and those undergoing economic conversion, 25% of the estimated cost of the training, 2) for retraining, at least 50% of the estimated cost of the training.

The Arizona Job Training Fund (Fund) consists of legislative appropriations, gifts, grants and other monies and is exempt from lapsing. Fund monies are used only for training. Fund monies are spent upon approval of the ACA, within the guidelines set by the Governor's Council on Workforce Policy.

Statute requires 25% of Fund monies be used for training small businesses with fewer than 100 employees, and 25% for rural businesses. Further, no more than 50% of monies may be used for retraining workers. The ACA cannot approve grant monies for reimbursement of certain employer costs such as fringe benefits, food and beverages, recruitment and signing bonuses for trainees and trainers, costs to complete a program application, relocation expenses, assessing the employee training needs, drug or other screening or prescreening costs, among others.

According to JLBC, in FY 2014, \$6,220,300 was expended from the Job Training Fund for this Program.

Year	Bill No	Short title	Description	Summary	Note
2015	<a href="#">HB 2168</a>	public agency pooling; unemployment insurance	Expands the types of service that an insurance pool can offer to its participants	<a href="#">Summary</a>	
2015	<a href="#">HB 2347</a>	unemployment insurance; base-period notices	Eliminates the requirement for a notice of claim filing to be sent to a base-period employer, if the employer has been previously notified.	<a href="#">Summary</a>	
2015	<a href="#">SB 1471</a>	revenue; budget reconciliation; 2015-2016	Repeals the Job Training Tax, effective January 1, 2016.	<a href="#">Summary</a>	
2013	<a href="#">HB 2645</a>	unemployment; employment definition; exception	Excludes from the statutory definition of employment, certain service providers working for churches or other religious organizations	<a href="#">Summary</a>	
2012	<a href="#">HB 2150</a>	unemployment insurance; independent contractor; appeals	Revises the definition of <i>employee</i> for purposes of unemployment insurance benefits and increases several filing deadlines.	<a href="#">Summary</a>	

## Vehicle Emissions

ADEQ administers the mandatory VEIP in two defined areas in the state. Vehicle emissions inspections are required for most vehicles registered in the Phoenix metropolitan area including portions of Pinal and Yavapai Counties and in the Tucson metropolitan area, and vehicles registered outside of these areas that are used to commute to a principal place of employment located in Phoenix or Tucson. A vehicle will qualify for registration only if it has passed the required emissions inspection or has received a one-time certificate of waiver (A.R.S. § 49-542).

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2702</a>	environment; budget reconciliation; 2016-2017	Instructed the Director of ADEQ to reduce VEI fees in the Phoenix metropolitan area by \$3/test.	<a href="#">Summary</a>	
2016	<a href="#">SB 1255</a>	vehicle emissions inspection program; continuation	Continued the VEIP for six years.	<a href="#">Summary</a>	
2014	<a href="#">HB 2226</a>	vehicle emissions inspection program	Made various changes to the VEIP and clarified statutory vehicle emissions testing requirements for vehicles registered in the Phoenix and Tucson metropolitan areas.	<a href="#">Summary</a>	
2014	<a href="#">HB 2580</a>	alternative fuel vehicles; registration; inspection	Required alternative fuel vehicles (AFVs) to undergo an emissions test in the sixth registration year, rather than the fourth registration year and removes the fee in lieu of testing option.	<a href="#">Summary</a>	

## **Veteran Benefits**

### **The Arizona Department of Veterans' Services**

#### ***Military Family Relief Fund***

ADVS administers the Military Family Relief Fund, which consists of private donations and is used to provide financial assistance to families of deceased, wounded, injured or seriously ill veterans who served on or after September 11, 2001. The Military Family Relief Advisory Committee reviews and approves financial assistance grants of up to \$20,000 to eligible applicants (with a majority vote).

#### ***Veterans' Donations Fund***

ADVS administers the Veterans' Donations Fund, which consists of private donations, proceeds from sales of certain special license plates and contributions made from tax refunds. The Veterans' Donations Fund is used to provide grants to benefit AZ veterans and for costs to maintain the Enduring Freedom Memorial located in the Wesley Bolin Plaza.

#### ***Veterans' Cemeteries***

ADVS operates the Southern AZ Veterans' Memorial Cemetery using monies from a trust fund consisting of private donations and grants. Construction of two additional veteran cemeteries located in Flagstaff and Marana began in 2014. The federal government funds most of the construction costs for new veteran cemeteries and ADVS is responsible for ongoing operational costs.

#### ***AZ Gold Star Military Medal***

The AZ Gold Star Military Medal may be awarded on behalf of members of the AZ National Guard, US military reserves or regular US armed forces who were killed in action on or after February 14, 1912.

#### ***Veteran-Supportive Campuses***

Colleges and universities are considered veteran-supportive campuses if the college or university has established certain veteran campus committees and organizations and provides various support services to student veterans. Colleges and universities apply to ADVS for certification as a veteran supportive campus. A college or university that is a veteran supportive campus is required to submit an annual report to ADVS which must include the number of veterans enrolled at the college or university and the number of student veterans who graduated from the college of university.

### **Employment**

#### ***Preferences***

Private employers are authorized to establish a voluntary veterans' employment preference policy to increase access to private employment opportunities for veterans. The policy must be established in writing and applied uniformly across employment decisions regarding hiring, promotion, or retention during a reduction in force. An employer may require a veteran to submit a DD Form 214 to be eligible for the preference.

State and local agencies that use merit employment systems are required to provide veterans five to ten additional points on a civil service test taken for employment purposes. Five points are provided to honorably discharged veterans and ten points are provided to honorably discharged veterans with a service-connected disability. Political subdivisions that use merit systems became required to provide veterans who qualify, or would qualify but for age, for federal retirement pay for non-regular military service five additional points on a civil service test taken for employment purposes.

#### ***Professional Licenses***

Real estate appraisal license holders who are ordered to active military duty may apply to have the license placed on inactive status. The license holder may apply for reactivation of the license within 180 days of return and must submit proof of completion of continuing education requirements within 120 days.

ADOT may waive the driving test requirement to obtain any CDL for members of the US armed forces on active duty or veterans discharged from the US armed forces under honorable conditions within the last 90 days

if other conditions have been met.

Beginning January 1, 2014 the Board of Nursing became authorized to waive the education requirement to obtain licensure as a practical nurse for applicants who completed a military program of basic medical training, obtained a Military Occupational Specialty (MOS) and performed military duties commiserate with the training received from an academic program that meets the education requirement if other conditions have been met. The Board of Nursing may require the applicant to complete additional clinical training or bridgework.

### ***Active Military Service & Training***

Employers may not refuse to permit AZNG members who are called to active duty or who must complete required military training to take a leave of absence from employment. The AZNG member is entitled to his or her former employment position or a higher position on return. State and local public employers must permit employees who are ordered by an auxiliary branch of the US armed forces to complete military training or other activities to take a leave of absence of up to 30 days in two consecutive years without loss of pay, time or efficiency rating.

## **Education**

### ***In-State Tuition***

Statute provides in-state status to a veteran attending college if the veteran registers to vote in AZ or has met one of the following criteria:

1. Possesses an AZ driver license or motor vehicle registration;
2. Has an employment history in AZ;
3. Transfers major banking services to AZ;
4. Changes permanent address on all pertinent records; or
5. Provides materials of whatever kind or source relevant to domicile or residency status.

### ***Tuition Deferment & Waivers***

Veterans enrolled at AZ public colleges and universities may apply to defer payment of tuition, fees, and related materials until payment of federal veteran education benefits is received. Starting in 2017, DEMA will operate a program that provides a tuition waiver at AZ public colleges and universities to qualifying members of the AZNG provided that sufficient monies have been collected via private donations and similar mechanisms to reimburse the college or university for costs incurred.

## **Other Benefits**

### ***Courts***

The presiding judge of a superior court may establish a veteran's court for cases filed in a justice or municipal court within the county and establish criteria for the referral of cases to the veteran's court. A justice of the peace or municipal court judge who has jurisdiction over a case may refer eligible cases to the veteran's court.

### ***Disability***

VA disability payments are not subject to creditor collections, attachment, levy or seizure and may not be awarded to any other person. VA disability payments may not be used to calculate alimony payments or in the disposition of property. Combat Related Special Compensation payments are excluded from consideration when calculating alimony payments or in the disposition of property.

### ***Retirement***

Veterans who meet certain qualifications are eligible to receive credited service towards PSPRS, CORP and EORP for periods of active military service prior to employment. A veteran must have at least ten years of previous credited service with the applicable retirement system to be eligible for this benefit. The maximum amount of credited service that a veteran may receive from this benefit is 6 years.

Eligible veterans may purchase credited service in ASRS for periods of active military service. Veterans whose ASRS membership began on or after July 1, 2010 must have at least five years of previous credited service with

ASRS to be eligible for this benefit.

### ***Driver Licenses***

ADOT must issue driver and non-operating ID licenses with a distinguishing mark that identifies an individual as a veteran on request.

ADOT may accept proof of completion of an approved motorcycle training program in lieu of the required examination to obtain a class M license, which as of July 1, 2014, includes motorcycle training programs provided by the US military.

### ***Pawn Shops***

Pawn brokers must waive any unpaid interest charges and hold pledged goods for members of the AZ National Guard, US military reserves or regular US armed forces who are ordered to federal active duty for 60 days after return from deployment.

### ***Firearms***

Evidence of current military service or proof of honorable discharge from the US armed forces may be used to satisfy the firearm competency requirements to obtain a CCW permit. Individuals age 19 or older who provide evidence of current military service or proof of honorable discharge from the AZNG, US military reserves, or regular US armed forces are eligible to obtain a CCW.

An individual currently certified as a firearms safety instructor by the US military became eligible to teach an AZ gun safety program course offered by a school district or charter school.

Year	Bill No	Short title	Description	Summary	Note
2016	<a href="#">HB 2033</a>	post-9/11 veteran education relief fund	Establishes the Post-9/11 Veteran Education Relief fund from private donations, grants, bequests and any other monies and allows monies in the fund to be used for qualifying veterans for the cost of tuition at a university that is under the jurisdiction ABOR and will be based on financial need up to the amount of tuition that the qualified veteran was charged the last year that the veteran received benefits under the Post-9/11 Veteran Educational Assistance Act of 2008.	<a href="#">Summary</a>	
2016	<a href="#">HB 2019</a>	credited service; military service purchase	Allows a member of EORP, PSPRS or CORP who has at least five years of service, rather than 10, receive credited service for active military service performed before employment if certain requirements are met.	<a href="#">Summary</a>	
2016	<a href="#">HB 2153</a>	VLT exemption; military members; spouses	Exempts a surviving spouse and a dependent of a deceased United States military member from paying a vehicle license tax and registration fee for a vehicle.	<a href="#">Summary</a>	
2016	<a href="#">HB 2324</a>	G&F; military spouses; resident licenses	Allows the spouse of an armed forces member who is stationed in this state on active duty or for either permanent or temporary duty to purchase a resident license permitting the taking of wildlife.	<a href="#">Summary</a>	
2016	<a href="#">HB 2708</a>	revenue; budget reconciliation; 2016-2017	Establishes the Veterans' Income Tax Settlement Fund (Fund) for the purpose of establishing a process to enable Native American veterans to recover state income taxes that were withheld from military pay. Appropriates \$2,000,000 from the General Fund in FY 2017 to the Fund. Repeals the Fund on January 1, 2020.	<a href="#">Summary</a>	
2016	<a href="#">SB 1267</a>	military service; postsecondary academic credit	Requires community college district governing boards and ABOR to create policies to award academic credit to current or former members of the United States Military.	<a href="#">Summary</a>	

2016	<a href="#">SB 1527</a>	appropriations; capital outlay; 2016-2017	Appropriates \$10,000,000 from the State General Fund in FY 2017 to ADVS for the establishment and construction of a State veterans' home in Flagstaff. Requires ADVS to use the \$10,000,000 appropriation solely on the construction of a veterans' home facility in Flagstaff and only if ADVS receives an irrevocable commitment from the federal government to fund at least 65% of the total cost of constructing a veterans' home facility in Flagstaff. Exempts the \$10,000,000 appropriation from lapsing.	<a href="#">Summary</a>	
2015	<a href="#">HB 2090</a>	military family relief fund; amount	Increases the amount that the Military Family Relief Advisory Committee can issue to eligible recipients from the Military Family Relief Fund.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2015	<a href="#">HB 2091</a>	veterans; in-state tuition	Grants an individual who receives educational assistance for veterans pursuant to federal law classification as an in-state student.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2015	<a href="#">HB 2092</a>	military scholarships special plates	Establishes the Military Scholarship Special License Plate.	<a href="#">Summary</a>	
2015	<a href="#">HB 2094</a>	voluntary veterans' preference employment policy	Permits a private employer to adopt a voluntary veterans' preference employment policy, provided that the policy is established in writing and is applied uniformly across employment decisions regarding hiring, promotion or retention during a reduction in force.	<a href="#">Summary</a>	
2015	<a href="#">HB 2240</a>	national guard members; tuition waivers	Allows a qualifying AZNG member to attend any Arizona public institution of higher learning towards completion of a bachelor or master's degree tuition-free for up to 16 credits per semester, with a maximum of 120 credits allowed for a bachelor's degree and 33 credits allowed for a master's degree.	<a href="#">Summary</a>	<a href="#">Fiscal Note</a>
2015	<a href="#">SB 1296</a>	spousal maintenance; veterans disability benefits	Specifies that a court may award spousal maintenance to a requesting party, which is defined as the person who filed the motion for spousal maintenance.	<a href="#">Summary</a>	
2015	<a href="#">SB 1473</a>	government; budget reconciliation; 2015-2016	Renames the Southern Arizona Veterans' Cemetery Trust Fund to the Arizona State Veterans' Cemetery Trust Fund (Cemetery Fund). Expands the scope of the Cemetery Fund to provide for the management and maintenance of the Arizona Veterans' Memorial Cemeteries at both Camp Navajo and Marana, in addition to the Southern Arizona Veterans' Cemetery.	<a href="#">Summary</a>	
2014	<a href="#">HB 2103</a>	concealed carry permit; qualifications	Allows an individual of at least 19 years of age to obtain a CCW permit if the person is currently in military service or has been honorably discharged.	<a href="#">Summary</a>	
2014	<a href="#">HB 2457</a>	mental health; veterans courts; establishment	Permits the establishment of county veteran's courts or mental health courts.	<a href="#">Summary</a>	
2014	<a href="#">HB 2514</a>	combat-related special compensation	Prohibits the courts from considering combat related special compensation in determining the separation of property and spousal maintenance in a divorce proceeding.	<a href="#">Summary</a>	
2014	<a href="#">HB 2537</a>	pawnbrokers; interest; military members	Changes the amount of interest a pawnbroker can charge and requires pawnbrokers to waive unpaid interest and hold pledged goods for deployed military members.	<a href="#">Summary</a>	
2014	<a href="#">SB 1040</a>	auxiliary members; leave of absence	Grants a public employee who serves as an auxiliary member of the United States military a leave of absence while under military orders.	<a href="#">Summary</a>	
2014	<a href="#">SB 1313</a>	Arizona gold star military medal	Establishes an application process and revises eligibility requirements for an individual to receive the Arizona Gold Star Military Medal.	<a href="#">Summary</a>	



2013	<a href="#">HB 2076</a>	military applicants; license requirements	Establishes guidelines for ADOT and the Arizona State Board of Nursing (Board) to issue licenses to military veterans' who meet requirements.	<a href="#">Summary</a>	<a href="#">Letter</a>
2012	<a href="#">HB 2165</a>	veterans; employment preference	Requires political subdivisions of Arizona to give preference to veterans that are eligible for, or would be eligible for but for age, non-regular service retirement pay.	<a href="#">Summary</a>	
2012	<a href="#">HB 2428</a>	veteran benefits; reservists	Allows a veteran to obtain an identification card and driver license with a veteran designation from ADOT and modifies statutes relating to military leave of absence, eligibility for the Military Family Relief Fund and the definition of veteran.	<a href="#">Summary</a>	
2012	<a href="#">HB 2602</a>	veteran supportive campuses	Replaces enabling language related to Arizona veteran supportive campuses with mandates.	<a href="#">Summary</a>	
2012	<a href="#">HB 2745</a>	PSPRS; employer contributions	States that employers of a return to work employee who is required to pay into another state retirement system are not required to pay an alternate contribution rate into PSPRS.	<a href="#">Summary</a>	
2012	<a href="#">HB 2778</a>	state board of appraisal	Outlines requirements and guidelines for members on the State Board of Appraisal and addresses areas involving uniform standards, inactive license or certificate status during military duty and disclosure of fees.	<a href="#">Summary</a>	
2012	<a href="#">SB 1291</a>	veteran's donations fund; grants	Modifies expenditure procedures for monies in the Veterans' Donations Fund.	<a href="#">Summary</a>	
2012	<a href="#">SB 1405</a>	students; residency; military service	Clarifies that veterans who served on or retired from active duty or reserve or AZNG status and were honorably discharged from the U.S. Armed Forces are immediately classified as an in-state student for tuition purposes.	<a href="#">Summary</a>	

## Acronym List

### A

AAC	Arizona Administrative Code
ABOC	Arizona Board of Cosmetology
ABOR	Arizona Board of Regents
ACPE	Arizona Commission for Postsecondary Education
ACA	Arizona Commerce Authority
ACC	Arizona Corporation Commission
ACI	Arizona Correctional Industries
ACJC	Arizona Criminal Justice Commission
ADA	Arizona Department of Agriculture
ADC	Arizona Department of Corrections
ADE	Arizona Department of Education
ADEQ	Arizona Department of Environmental Quality
ADES	Arizona Department of Economic Security
ADFI	Arizona Department of Financial Institutions
ADHS	Arizona Department of Health Services
ADJC	Arizona Department of Juvenile Corrections
ADLLC	Arizona Department of Liquor Licenses and Control
ADM	Average Daily Membership
ADOA	Arizona Department of Administration
ADOH	Arizona Department of Housing
ADOI	Arizona Department of Insurance
ADOT	Arizona Department of Transportation
ADOR	Arizona Department of Revenue
ADPS	Arizona Department of Public Safety
ADRE	Arizona Department of Real Estate
ADVS	Arizona Department of Veterans' Services
ADWR	Arizona Department of Water Resources
AEL	Aggregate Expenditure Limit
AG	Attorney General
AGI	Adjusted Gross Income
AHCCCS	Arizona Healthcare Cost Containment System
AIRC	Arizona Independent Redistricting Commission
ALJ	Administrative Law Judge
ALTCS	Arizona Long Term Care System
AMA	Active Management Area
AMB	Arizona Medical Board
AOC	Administrative Office of the Courts
AOI	Arizona Online Instruction
AOT	Arizona Office of Tourism
APP	Aquifer Protection Permit
A.R.S.	Arizona Revised Statutes
ASDB	Arizona State Schools for the Deaf and the Blind
ASLAPR	Library, Archives, and Public Records
ASLC	Arizona State Lottery Commission
ASLD	Arizona State Land Department
ASPB	Arizona State Parks Board
ASRS	Arizona State Retirement System
ASU	Arizona State University
AZDOHS	Arizona Department of Homeland Security
AZGFD	Arizona Game and Fish Department
AZGS	Arizona Geological Survey
AZPOST	Arizona Peace Officer Standards and Training

### B

BEC	Board of Executive Clemency
BLM	Bureau of Land Management
BMP	Best Management Practices
BOD	Board of Directors
BOMEX	Board of Medical Examiners
BOS	Board of Supervisors

BRB	Budget Reconciliation Bill
BSL	Base Support Level
BTR	Board of Technical Registration

## C

CAA	Charter Additional Assistance
CAA	Children's Action Alliance
CAGRD	Central Arizona Groundwater Replenishment District
CAP	Central Arizona Project
CASA	Court Appointed Social Advocate
CAWCD	Central Arizona Water Conservation District
CC&Rs	Covenant, Conditions and Restrictions
CCEC	Citizens Clean Election Commission
CCW	Concealed Carry Weapon
CDHH	Commission for the Deaf and Hard of Hearing
CDL	Commercial Driver's License
CE	Continuing Education
CJEF	Criminal Justice Enhancement Fund
CMDP	Comprehensive Medical and Dental Program
CMS	Centers for Medicare and Medicaid Services
CNG	Compressed Natural Gas
COR	Committee of Reference
CORP	Corrections Officers Retirement Plan
COSF	Capital Outlay Stabilization Fund
CPA/ PA	Certified Public Accountant/ Public Accountant
CPI	Consumer Price Index
CPR	Cardiopulmonary Resuscitation
CTE	Career and Technical Education

## D

DAA	District Additional Assistance
DCAC	Dangerous Crimes Against Children
DCS	Department of Child Safety
DEMA	Department of Emergency and Military Affairs
DROP	Deferred Retirement Option Plan
DSH	Disproportionate Share Hospital
DUI	Driving Under the Influence
DYTR	Department of Youth Treatment and Rehabilitation

## E

EEC	Economic Estimates Commission
ELIC	Eligible Low Income Children
EODCRS	Elected Officials Defined Contribution Retirement System
EORP	Elected Officials Retirement Plan
EPA	Environmental Protection Agency
ESA	Empowerment Scholarship Accounts

## F

FDA	Federal Drug Administration
FDAT	Fire District Assistance Tax
FDIC	Federal Deposit Insurance Corporation
FPCC	Fingerprint Clearance Card
FPL	Federal Poverty Level
FTE	Full-time Employee / Full-time Equivalent
FTSE	Full-time Equivalent Student Enrollment
FY	Fiscal Year

## G

GAN	Grant Anticipation Note
GDP	Gross Domestic Product
GF	General Fund

GIITEM	Gang and Immigration Intelligence Team Enforcement Mission
GITA	Government Information Technology Agency
GPLET	Government Property Lease Excise Tax
GRRC	Governor's Regulatory Review Council
GVWR	Gross Vehicle Weight Rating

## H

HCSO	Health Care Services Organization
HEELP	Highway Expansion and Extension Loan Program
HMO	Health Maintenance Organization
HOA	Homeowner's Association
HOV	High Occupancy Vehicle
HURF	Highway User Revenue Fund

## I

ICA	Industrial Commission of Arizona
IDA	Industrial Development Authority
IGA	Intergovernmental Agreement
IME	Independent Medical Examination
INA	Irrigation Non-Expansion Area
IPS	Intensive Probation Supervision
IRC	Internal Revenue Code
IRS	US Internal Revenue Service
IT	Information Technology

## J

JCCR	Joint Committee on Capital Review
JLAC	Joint Legislative Audit Committee
JLBC	Joint Legislative Budget Committee
JP	Justice of the Peace
JPO	Juvenile Probation Officer
JTED	Joint Technical Education District

## L

LEEV	Low Emission Energy Efficient Vehicle
LLC	Limited Liability Company
LTAF	Local Transportation Assistance Fund

## M

M&O	Maintenance and Operations
MAO	Medical Assistance Only
MCTC	Model City Tax Code
MTBE	Methyl Tertiary Butyl Exam
MTCC	Municipal Tax Code Commission
MVD	Motor Vehicle Division

## N

NAIC	National Association of Insurance Commissioners
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## O

OAG	Office of the Auditor General
OAHA	Office of Administrative Hearings
OBRA	Omnibus Budget Reconciliation Act (Federal)
OSPB	Office of Strategic Planning and Budgeting

## P

PBI	Permanent Benefit Increase
PEVL	Permanent Early Voter List
PPE	Presidential Preference Election
PSPRS	Public Safety Personnel Retirement System
PTOC	Property Tax Oversight Commission

**Q**  
QMB Qualified Medical Beneficiaries

**R**  
R&D Research and Development  
RARF Regional Area Road Fund  
RCL Revenue Control Limit  
RFI Request for Information  
RFP Request for Proposals  
RMRF Risk Management Revolving Fund  
ROC Registrar of Contractors  
RTC Resolution Trust Corporation  
RUCO Residential Utility Consumers Office

**S**  
SBCS State Board for Charter Schools  
SBDE State Board of Dental Examiners  
SBE State Board of Education  
SBI State Board of Investment  
SBOE State Board of Equalization  
SCB State Certification Board  
SETIF Safety Enforcement Transportation Infrastructure Fund  
SFB School Facilities Board  
SHF State Highway Fund  
SLF State Lottery Fund  
SMI State Mine Inspector  
SNAP Supplemental Nutrition Assistance Program  
SOBRA Sixth Omnibus Budget Reconciliation Act  
SOS Secretary of State  
SPI Superintendent of Public Instruction  
SSA Social Security Administration  
STA Sports and Tourism Authority  
STAN Statewide Transportation Acceleration Needs  
STO School Tuition Organization  
SY School Year

**T**  
TANF Temporary Assistance for Needy Families  
TGEN Translated Genomics Research Institute  
TPT Transaction Privilege Tax  
TRO Temporary Restraining Order  
TY Tax Year

**U**  
UI Unemployment Insurance  
US United States  
USC United States Code  
UST Underground Storage Tank

**V**  
VEIP Vehicle Emissions Inspection Program  
VLT Vehicle License Tax

**W**  
WIC Women, Infants and Children  
WICHE Western Interstate Commission for Higher Education  
WIFA Water Infrastructure Finance Authority of Arizona